

North Carolina
Department of Transportation

Transformation Management Team
Final Report

Volume One: Overview

NCDOT's Transformation

From early 2007 to late 2008, the North Carolina Department of Transportation went through an internal transformation process of changing to a new outcome-based, performance oriented organization to meet the 21st Century transportation needs of our state. This Final Report documents the process and outcomes of NCDOT's Transformation.

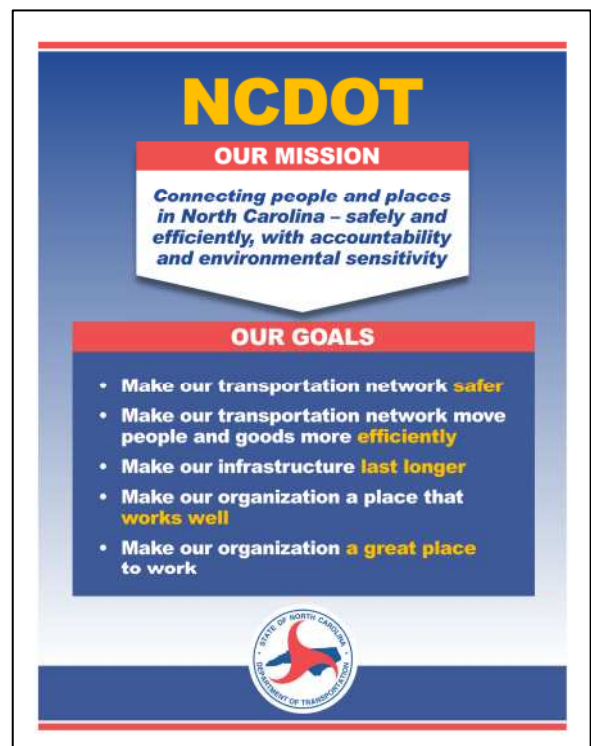
In 2007, the NCDOT hired McKinsey & Company, a world-class management consultant, to review the Department. McKinsey began with a comprehensive survey sent to all NCDOT employees and key transportation stakeholders. In an overwhelming show of support and interest, over 70% of NCDOT employees responded to the survey

Based on McKinsey's finding and recommendations, Transportation Secretary Lyndo Tippet appointed a Transformation Management Team (TMT) to begin this process. He asked 19 NCDOT employees to work full time on this project, with the task of designing and implementing a "transformed" NCDOT based on McKinsey's recommendations and guidance. This team, led by Deputy Secretary for Transit, Roberto Canales, P.E., worked on the Transformation effort from June 2007 through October 2008. The TMT members' names and team structure can be found in the Participants folder in this volume of the report on the "TMT Org Chart".

Based on the results of the diagnostic McKinsey recommended that four major areas be addressed: Strategic Blueprint, Strategic Planning and Prioritization, Performance Metrics & Management, and Talent Management. The presentation entitled "Link Between Diagnostic and TMT Workstreams" found in this volume, correlates the survey findings to the "workstreams", teams working on a designated project.

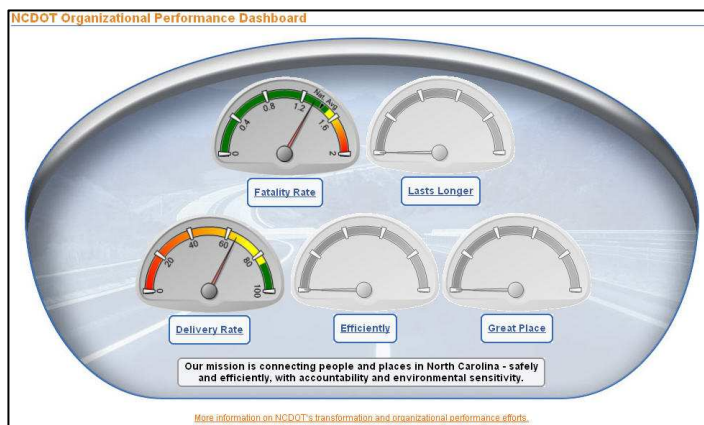
The work of the TMT focused on:

Strategic Blueprint: The TMT set a strategic direction for the Department by creating new mission and goal statements and identifying strategic leadership roles. The team initiated an in-depth look at the efficiency and effectiveness of internal services, and the mission and products of all departmental business units. They also completed in-depth studies of 20 areas that were identified as concerns by NCDOT employees and Transportation stakeholders. Much of this work led to a



re-organization of the Department designed to better serve the new mission and goals in a performance based culture. The details of this work, including information on the “NCDOT Re-alignment” can be found in Volume 4 of this report.

Strategic Planning and Prioritization: Once the mission and goals of the organization had been established the TMT created a process by which future resource decisions could be aligned with our goals. The TMT developed a new strategic planning and prioritization process and engaged external partners in discussions to determine the feasibility of the new processes. The TMT also initiated the creation of a new business unit, the Strategic Planning Office of Transportation. The details of this work, including the new NCDOT Strategic Planning Manual, are found in Volume 5 of this report.



Performance Metrics & Management: To ensure that the Department meets the goals we have set for ourselves it is essential to measure our accomplishments, both organizationally and individually. NCDOT has instilled performance accountability through a public facing

“Organizational Performance Dashboard” that tracks departmental progress toward the Department’s five goals. The dashboard is located on NCDOT’s web site at www.ncdot.gov. Top managers’ individual performance assessments are now linked to these same goals through a system of “metrics” or performance measurements. This allows managers to measure each business unit’s contributions to meeting the mission and goals. This performance based management approach will be in place for all NCDOT employees beginning in the spring of 2009. The details of this work are found in Volume 6 of this report.

Talent Management: The term “talent management” refers to the way the Department recruits, retains and develops its employees. In order to meet the goals of the Department, it is necessary to ensure NCDOT has the right employees in the right jobs with the right skills. Based on the results of the employee survey and many subsequent interviews with DOT managers and employees, the TMT recommended and implemented changes in many Human Resource related areas. The team also created NCDOT Core Values, the behavior standards to which all employees will be held accountable in their individual performance evaluations. The details of this work, including the new “Personal Dashboard and Appraisal” employee performance management system, are found in Volume 7 of this report.

Performance Monitoring: The TMT established a Project Management Plan to keep the team on track and ensure that the Transformation work stayed on schedule. The plan included all of the project milestones and deliverables. The details of this work, including the Project Management Plan, are found in Volume 2 of this report.

Outreach: Throughout the Transformation effort, many different communication methods were used to keep NCDOT employees and transportation stakeholders apprised of the progress. They included employee newsletter articles and emails, presentations and question and answer sessions. The details of this work are found in Volume 3 of this report.

TMT strategically collected and analyzed data from all facets of the Department focused on what our employees and stakeholders said should be improved at the Department. Nearly 200 NCDOT employees were directly involved in this process which concluded by making and beginning to implement recommendations to improve NCDOT. A listing of employees that were actively involved in the project can be found in the Participants folder in this volume of the report.

A high-level summary of the nearly 40 individual workstreams can be found in the “Final Workstream Status Report” in this volume of this report. The report documents the purpose, team members, status and completion date of each workstream.

The findings of the McKinsey survey as well as McKinsey’s recommendations for addressing these findings, known as the “diagnostic”, can be found in Volume 8 of this report. A summary of the McKinsey Recommendations with NCDOT’s corresponding actions to address them can be found in the “McKinsey Recommendations and TMT Actions - Final” document in this volume.

This volume also contains a “Glossary of Terms” for the Transformation project.

A series of “General Presentations” given over the lifetime of the project is also included in this volume. The presentations are grouped by audience type: those given to NCDOT employees (Internal) and those given outside of the Department (External). The presentations provide snapshots of the progress of the project over time.

The Transformation has prepared NCDOT for the 21st Century by improving our ability to “connect people and places in North Carolina – safely and efficiently, with accountability and environmental sensitivity”.

STRATEGIC BLUEPRINT- CONTEXT AND MISSION

Context

- **NCDOT has neither a single agreed-upon vision nor associated set of strategic goals**
 - Only 20% of employees observe often or always that “NCDOT’s vision is communicated deep into the organization”
 - Only 30% of employees agree/strongly agree that “the vision for NCDOT’s future is widely understood by its employees.”
- **Strategic direction is unclear and activities may not align with vision and goals**
 - Only ~30% of employees agree/strongly agree that “NCDOT’s strategy is aligned with its vision.”
- **NCDOT manages a broader scope of activities than most DOTs- 2nd in the country in % of roads and lane miles**
- **Organizational structure is not aligned with overall strategy, which affects operational efficiency and talent development**
 - Only 37% of employees observe always or often that “NCDOT’s organization structure creates an environment of clear accountability.”

Our Team’s Mission

- To design a new strategic blueprint for NCDOT that will:
 - Introduce an overarching vision and transparent goals toward which to direct its activities
 - Evaluate NCDOT scope of activities
 - Establish a new project prioritization scheme based on its strategic priorities
 - Develop a suite of alternative funding scenarios to support the new prioritization method
 - Realign its organization to more effectively meet its goals and project priorities

STRATEGIC PLANNING AND PRIORITIZATION- CONTEXT AND MISSION

Context

- **Strategic planning at NCDOT has historically been ad hoc, with no systematic annual process**
 - Only 32 percent of employees observe always or often that “management... develops detailed strategic plans.”
 - Only 30% of employees agree/strongly agree that “NCDOT’s strategy provides clear direction for its employees.”
 - Only 36% of employees believe “employees’ day-to-day behavior is guided by NCDOT’s strategy.”
 - Best practices suggest a systemic process that creates/refreshes plan to address changing environment
- **The result of lack of process is a lack of project prioritization**
 - STIP projects are currently not prioritized
 - Diagnostic found that lack of prioritization may be biggest contributor to project delivery delays
- **Ad hoc pressures from multiple stakeholders further confuse project prioritization**
 - One of the most critical issues identified in the diagnostic was the absence of a process to prioritize projects based on *systematic*, rather than ad hoc, stakeholder input and then buffer the organization for external pressures

Our Team’s Mission

- To introduce a strategic planning and prioritization process that:
 - Allows NCDOT to create and annually refresh strategic plans based on its vision, goals, and evolving industry context
 - Gathers input from stakeholders in a systematic way with
 - Annual formal stakeholder process
 - Formal channels for ad hoc input
 - Generates a transparent system for prioritizing projects
- To establish the structure, roles and responsibilities of a Strategic Planning Office at NCDOT

PERFORMANCE METRICS AND MANAGEMENT- CONTEXT AND MISSION

Context

- **There has been some implementation of performance management measures within business units, but those efforts are not explicitly linked to NCDOT nor other business unit priorities**
 - Only 36% of employees agree/strongly agree that “employees day-to-day behavior is guided by the NCDOT’s strategy.”
 - Only 44% of employees observe always/often that “operating measures are clearly defined in each area of the organization.”
- **NCDOT’s ad hoc nature of performance indicator generation sometimes led to conflicting needs between units**
 - Diagnostic found that different parts of organization have different levels of focus on metrics like cost, quality, and timing
 - Only 37% of employees observe always/often that “NCDOT holds challenging reviews to evaluate performance against the operational plan/key performance indicators.”

Our Team’s Mission

- To introduce a performance metrics and management function characterized by:
 - High-level set of metrics tied to NCDOT vision and goals
 - Organization-wide agreement on key performance indicators that suit both NCDOT and individual business unit needs
 - Management focused on leading toward meeting performance metrics
 - Linking of staff performance reviews to overall metrics

TALENT MANAGEMENT- CONTEXT AND MISSION

Context

- **Talent management function is failing to:**
 - *Recruit and retain critical talent:* Only 18% of employees observe always or often that “NCDOT continually refreshes its talent pool.”
 - *Drive employee performance:* Only 31% of employees agree/strongly agree that “employees are highly motivated.”
 - *Develop managers:* Only 35% of employees observe always or often that “NCDOT provides on-the-job assignments to develop the capabilities of senior employees.”
- **This is driven by**
 - *A nominal performance review process:* Only ~33% of employees believe that the NCDOT’s feedback/review processes “collect accurate information about people’s strengths, weaknesses and potential” or “clearly differentiate between the high, average, and low performers.”
 - *Limited succession and mobility planning:* Only 19% of employees observe always or often that “NCDOT uses job rotation to broaden the experience/capabilities of employees.”
 - *An inadequate employee value proposition:* Only 31% of employees agree/strongly agree that “people are generally enthusiastic about their jobs.”
 - *A view of Human Resources as an administrative function, not a strategic responsibility*

Our Team’s Mission

- To introduce a talent management function characterized by:
 - A rigorous performance review process tied to performance metrics effort
 - Improvements in development, succession planning, mobility and retention of talent, particularly high performers
 - A talent value proposition that makes NCDOT an attractive place to launch and build a career
 - Focus on HR as a strategy, not only a function

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<i>Align Strategic Direction with a New Mission Statement and Goals</i>	SB – Mission and Goals	<ul style="list-style-type: none"> See Strategic Blueprint/Workstreams /TIP Program sections of TMT Final Report for more information.
<ul style="list-style-type: none"> Create a new mission statement and goals and communicate them through the organization <ul style="list-style-type: none"> Use a range of other vehicles for communicating the mission and goals, primarily “road shows” and “town halls” 	<p>SB - Mission and Goals PO - Communications Strategy</p> <p>SB - Mission and Goals PO - Communications Strategy</p>	<ul style="list-style-type: none"> Complete See Strategic Blueprint Section and Outreach Section of TMT Final Report for more information. Held 27 Question & Answer Sessions with Secretary Tippet across the state for NCDOT employees. <ul style="list-style-type: none"> Sessions focused on Transformation related issues. Displayed and discussed mission and goals. Shared “Transformation Story” at 76 NCDOT Division/Branch/Unit staff meetings across the state. Reached out to external partners Metropolitan Planning Organizations (MPO's), Regional Planning Organizations (RPOs), North Carolina Section Institute of Transportation Engineers (NCSITE), Transportation Leadership Team (TLT), etc.) about transformation efforts through presentations and discussions as appropriate. See Outreach Section of TMT Final Report for more information.
<ul style="list-style-type: none"> Link projects, programs, and services to goals 	SP - Strategic Planning & Prioritization	<ul style="list-style-type: none"> See Strategic Planning and Prioritization Section of TMT Final Report for more information.

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> ○ Create a Strategic Planning Office 	SP - Create SPOT Office	<ul style="list-style-type: none"> ▪ Developed framework for Strategic Planning Office for Transportation (SPOT). ▪ Hired Don Voelker as SPOT Director. Re-assigned David Wasserman and Alpesh Patel to staff office. ▪ See Strategic Planning and Prioritization / Strategic Planning Office for Transportation Section of TMT Final Report for more information.
<ul style="list-style-type: none"> ○ Expand prioritization to include programs and services (not just projects) 	SP - Strategic Prioritization	<ul style="list-style-type: none"> ▪ Prioritization process includes programs, services, and initiatives (along with projects) and links them to achievement of our goals. SPOT & Strategic Management Committee (SMC) will evaluate these needs using quantitative and qualitative tools, such as business case templates, as appropriate.
<ul style="list-style-type: none"> ○ Incorporate input from Strategic Prioritization Process Summit into prioritization model 	SP - Strategic Prioritization	<ul style="list-style-type: none"> ▪ Held Prioritization Summit in September 2007, with 50 NCDOT Business Unit leaders and BOT Members. ▪ Developed prioritization prototype model for Summit. ▪ Incorporated Summit generated input into the prioritization process. ▪ Summit output led to TIP project pilots (see below) ▪ Revising original business case templates used at Summit.
<ul style="list-style-type: none"> ○ Ensure model isn't complex 	SP - Strategic Prioritization	<ul style="list-style-type: none"> ▪ Business Units leading the prioritization efforts, in collaboration with other units, will develop quantitative models. Multiple tools will be used to prioritize needs customized to the North Carolina Multimodal Investment Network (NCMIN) tier, category, and mode (no one size fits all).
<ul style="list-style-type: none"> ○ Test the model 	SP - Strategic Prioritization	<ul style="list-style-type: none"> ▪ Will be completed by the lead Business Units in the future as the prioritization process is implemented.

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> ○ Ensure strategic and nominal prioritization translates into organizational and cultural prioritization 	SP - Strategic Prioritization, PM - Performance Metrics	<ul style="list-style-type: none"> ▪ Implementing over time as Strategic Planning and Prioritization processes are implemented and new Performance Dashboard and Appraisal (PDA) System is rolled out.
<ul style="list-style-type: none"> ▪ Diversify funding sources and processes 	SB - Funding	<ul style="list-style-type: none"> ▪ Evaluated new funding source options, each with an estimated level of revenue (high, average, and low). ▪ Issued first \$300M in GARVEE bonds and developed project tracking model. ▪ Assisted Office of State Treasurer with NCDOT debt affordability study. ▪ See Strategic Blueprint / Workstreams / Funding Section of TMT Final Report for more information.
<ul style="list-style-type: none"> ○ Partner with General Assembly to request new funding sources for state's transportation network 	SB - Funding	<ul style="list-style-type: none"> ▪ Collaborated with Finance Committee of 21st Century Transportation Committee. ▪ NCDOT Senior Leadership continues to work with General Assembly to examine appropriate funding sources for transportation.
<ul style="list-style-type: none"> ○ Increase flexibility of NCDOT's funding to better align resources with goals 	SB - Funding	<ul style="list-style-type: none"> ▪ Senior Leadership continues to work with General Assembly to examine potential for increasing flexibility of transportation funding to better align resources with goals.
<ul style="list-style-type: none"> ○ Tie new funding to priority investments on the statewide network and measure NCDOT performance against its delivery goals 	SP – Strategic Prioritization SB - Funding	<ul style="list-style-type: none"> ▪ When and if new transportation funds are available NCDOT will recommend appropriate prioritization to General Assembly. ▪ Currently prioritizing proposed Federal Economic Stimulus Package projects against NCDOT goals and tiers. ▪ Measuring NCDOT performance against delivery goals for all projects through Organizational Performance Dashboard and Performance Dashboard and Appraisal (PDA) System.

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> ▪ Create a strategic planning process and function <ul style="list-style-type: none"> ○ Clarify the specific functional distinctions between the Strategic Planning Office and the Program Development/TIP Programming Unit. ○ Staff the Strategic Planning Office with highly competent people – people who can play a strategic, not an administrative, role in the Department's direction setting ○ Set a budget for the Strategic Planning Office that enables it to offer compensation competitive with similar public sector and private sector roles and give the director of the office a reporting line either to the Secretary of Transportation or to one of the Deputy Secretaries. 	<p>SP - Strategic Planning & Prioritization</p> <p>SP - Strategic Planning and Prioritization</p> <p>SP - Create SPOT Office</p> <p>SP – Create SPOT Office</p>	<ul style="list-style-type: none"> ▪ See Strategic Planning and Prioritization Section of TMT Final Report for more information. ▪ SPOT is a broad, forward-thinking group focused on developing strategy and guiding strategic planning and prioritization processes. SPOT is not directly involved with programming projects in the TIP. SPOT will look at goals, recommend modifications as necessary, and determine what programs, projects, services and initiatives can help NCDOT achieve our goals. ▪ Better defining relationship of SPOT, Transportation Planning Branch, Program Development / TIP Programming Unit, Office of Governance and Performance Metrics Management Office. ▪ Hired Don Voelker, a highly experienced manager with previous Strategic Planning experience with the Federal Highway Administration (FHWA), as SPOT Director. ▪ Staffed SPOT with David Wasserman and Alpesh Patel, 2 people with significant insight into strategic planning through their past involvement in developing and implementing NC's Long Range Transportation Plan and the NCMIN. ▪ SPOT Director and other roles offer market rate compensation. ▪ SPOT Director reports to the Deputy Secretary for Intergovernmental Affairs and Budget Coordination

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> ○ Create communication and training materials to prepare NCDOT managers for their respective roles 	SP - Strategic Planning and Prioritization, Transformation Training and Rollout	<ul style="list-style-type: none"> ▪ Created Strategic Planning and Prioritization Guidelines Manual. (Found in Strategic Planning and Prioritization Section of TMT Final Report.) ▪ Held training on overview of strategic planning and prioritization processes for top "150" DOT managers and included in the Transformation Overview presented across the Department. ▪ Rolling out Prioritization Process in 2009.
<i>Streamline Project Design and Delivery</i>	SB - Prioritization	<ul style="list-style-type: none"> ▪ See Strategic Blueprint / Workstreams / TIP Program, Project STaRS and Bridge Program Sections of TMT Final Report for more information.
<ul style="list-style-type: none"> ▪ Ensure that pilot performance – the right schedule, cost, and quality mix – be a step-change from business as usual, not an incremental improvement. Formal tracking mechanisms are needed to measure progress against this aspiration 	SB – Project STaRS Assessment SB - Bridge Program SB - TIP Pilot	<ul style="list-style-type: none"> ▪ Created Schedule Management Office to improve schedule adherence and accountability. ▪ Regionalized NCDOT Preconstruction. ▪ Implementing TIP project delivery improvement recommendations. Pilot projects are underway. ▪ Implementing Bridge Program recommendations - including sub regional tier design standards, standardized bridge designs, grouped bridge lettings, on-site scoping meetings, etc. ▪ Using schedule and budget performance metrics for both TIP and bridge projects on Organizational Performance Dashboard and individual Performance Dashboard & Appraisals (PDA's).
<ul style="list-style-type: none"> ▪ Ensure that pilot successes are widely communicated 	SB - Bridge Program, SB - TIP Pilot	<ul style="list-style-type: none"> ▪ Reporting pilot successes on a regular basis. ▪ Reported success of Bridge Pilot Projects to Operations Staff. ▪ Pilot success will become standard operating practice. ▪ Communicated initial Bridge Program successes to BOT and 21st Century Committee. ▪ Communicated TIP Pilot Program elements to 21st Century Committee.

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<i>Design a More Productive Organization</i>	SB - NCDOT Organization SB - Scope of Activities	
<ul style="list-style-type: none"> ▪ Create a Chief Operating Officer position and recruit an experienced executive who has successfully run complex organizations 	SB - NCDOT Organization SB - NCDOT Scope of Activities	<ul style="list-style-type: none"> ▪ Converted Chief Deputy Secretary position to the Chief Operating Officer (COO).
<ul style="list-style-type: none"> ▪ Create critical new roles with maximum consideration of their most effective level in the organization, placement/reporting lines in the organization, and compensation levels 	SB - NCDOT Organization SB - NCDOT Scope of Activities SP - Create SPOT Office SB - Office of Inspector General Assessment SB - Office of Program/Project Delivery SB - Project STaRS Assessment TM - Hire Additional HR Resources	<ul style="list-style-type: none"> ▪ In addition to SPOT Director and COO (see above) created Inspector General and named Bruce Dillard, CPA, to position. ▪ Approved business cases for Marketing Director and Talent Management Strategist. <ul style="list-style-type: none"> – Holding Marketing recommendations during budget shortfall. – Holding hiring for Talent Management Strategist position during budget shortfall.
<ul style="list-style-type: none"> ▪ Move "boxes and lines" on an organizational chart only if there is a strong case to do so 	SB - NCDOT Organization SB - NCDOT Scope of Activities SB - Information Technology Assessment SB - Office of Inspector General Assessment	<ul style="list-style-type: none"> ▪ Implemented organizational changes resulting from findings and recommendations of McKinsey Diagnostic, TMT Manager Survey, "Bottoms-up Business Unit Efficiency Survey" and other TMT workstreams. ▪ See Strategic Blueprint / Workstreams / Organizational Re-alignment Section of TMT Final Report for more information.

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> Communicate efficiency and productivity analysis as carefully as possible and in close coordination with other transformation communication 	SB - NCDOT Organization SB - NCDOT Scope of Activities PO - Design TMT Communications Strategy	<ul style="list-style-type: none"> Increased communication and coordination between units because of the TMT workstreams and pilot initiatives. Business Units implementing internal efficiencies found through bottoms-up efficiency survey. Will communicate outcomes throughout the organization and beyond, as appropriate.
<ul style="list-style-type: none"> Consider developing alternative models to the current structural relationship between NCDOT and other North Carolina public transportation providers 	SB - NCDOT Scope of Activities	<ul style="list-style-type: none"> Drafted white papers proposing new relationship models between NCDOT and NC Railroad, NC Turnpike Authority, Global Transpark, and NC State Ports Authority.
<i>Increase accountability for and visibility of performance</i>	PM - Performance Metrics	<ul style="list-style-type: none"> See Performance Metrics and Management Section of TMT Final Report for more information.
<ul style="list-style-type: none"> Demonstrate senior management commitment to constructive, intensive dialogue during quarterly business reviews 	PM - Performance Metrics PM - Dashboard	<ul style="list-style-type: none"> Developed public facing Organizational Performance dashboard and performance metrics for 150 NCDOT leadership positions to measure performance toward our goals. Established "Organizational Performance Review" as quarterly item on Strategic Management Committee (SMC) agenda. Creating process to constructively present organizational performance to SMC to focus Departmental leadership on actions necessary to achieve our goals.

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> Communicate metrics widely and identify the individuals and/or business units accountable for them 	PM - Performance Metrics TM - Performance Management Transformation Training and Rollout	<ul style="list-style-type: none"> Developed metrics that tie to NCDOT goals for 150 leadership positions. Implemented new Performance Dashboard and Appraisal (PDA) performance management system based on metrics for 150 leadership positions. Completed supervisory training and initial metric development for rest of NCDOT employees. Implementing metrics based PDA's for all NCDOT employees beginning April 1, 2009.
<ul style="list-style-type: none"> Prepare for disagreement over metrics that people feel they do not completely control 	PM - Performance Metrics TM - Performance Management	<ul style="list-style-type: none"> Developed and conducted metrics training focused on employee "influence" of metrics. 150 leadership positions share many metrics with others in the Department. These metrics are outcome-based or lagging metrics. The appropriate leading metrics, or input/output based metrics are assigned to subordinates of the top "150" and will drive the results of the lagging metrics in the proper direction. Addressed this issue in Transformation Overview given to over 1500 employees across the Department.
<ul style="list-style-type: none"> Develop an internal communication philosophy and approach that constantly reinforces mission, goals, and values and positions DOT leadership for appropriate modeling opportunities 	SB - Mission and Goals, PM - Performance Metrics TM - Performance Management	<ul style="list-style-type: none"> Developed "Value Trees" that link employees' jobs to goals. (See Performance Metrics & Management / High Level Value Tree in TMT Final Report.) Revised New Employee Orientation to expose employees to mission, goals, and values. Implementing new PDA system based on performance of activities related to mission, goals, and values (which are clearly stated on the PDA form). Regularly updating NCDOT Organizational Dashboard, which displays progress towards goals. Prominently displayed link to Dashboard on NCDOT website home page. Will communicate outcome of Strategic Management Committee's (SMC's) Organizational Performance discussions and action items with employees.

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> Create a Marketing group with solid line authority to the Secretary, recruit someone with marketing expertise to lead the group, and charge the group with leveraging NCDOT's wide presence to collect information and input from external and internal groups and to conduct marketing to those groups regarding NCDOT projects, programs, services and initiatives 	SB - NCDOT Organization	<ul style="list-style-type: none"> Approved business case for a Marketing Director. Holding Marketing recommendations during budget shortfall.
<i>Improve Talent Management</i>	TM - Talent Management	<ul style="list-style-type: none"> See Talent Management Section of TMT Final Report for more information.
<ul style="list-style-type: none"> Streamline the hiring approval process, to conform to best practices; this includes removing layers of approval – matched with manager HR budget accountability – as well as moving the Department to the State Personnel Act's policy on salary increases for promotions and salaries for new hires 	TM - Hiring Practices	<ul style="list-style-type: none"> Streamlined hiring process. Revoked "10% rule" that capped salary increases for promotions and new hires. See Talent Management / Hiring Practices and Quick Wins Section of TMT Final Report for more information.
<ul style="list-style-type: none"> Allow alternate work schedules to increase employee flexibility – while still requiring that performance objectives be met 	TM - Employee Value Proposition	<ul style="list-style-type: none"> NCDOT allows alternative work schedules. See Talent Management / Quick Wins Section of TMT Final Report for more information.
<ul style="list-style-type: none"> Reinstate mentoring programs, building on existing models to encourage and reinvigorate employee development and retention 	TM - Mentorship Program	<ul style="list-style-type: none"> Held pilot Female Mentoring and Development Program and Engineering Associates' Mentoring Program. NCDOT Human Resources implementing a Department wide mentorship program. See Talent Management / Female Mentorship and Transportation Engineering Associates Program Sections of TMT Final Report for more information.

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> Embed an improved training culture, including a less onerous approval process for training expenses – provided that strict accountability for overall training spending is maintained 	TM - Training	<ul style="list-style-type: none"> Approved new Training & Development Policy. Will communicate Department-wide. Continuing Pilot and implementing Department-wide Individual Training Plans Assessing Training & Development Needs to create Strategic Training Plan Preparing Training Profile Data for incorporation into Learning Management System within SAP-statewide implementation through BEACON. Established need for Training Administrator Function. Holding filling of Training Administrator Position due to budget shortfall. Training administrator will explore enterprise wide license opportunities (Covey, Six Sigma, DDI, etc.), identify assessment tools to determine development/training gaps and develop/identify tools to determine training effectiveness. Streamlined travel approval process. See Talent Management / Training Section of TMT Final Report for more information.
<ul style="list-style-type: none"> Reinstate career banding, in line with legislative approval, to bring NCDOT's existing salary structures more in line with the marketplace, helping reduce the number of employees lost to the private sector 	TM - Quick Wins	<ul style="list-style-type: none"> Reinstated career-banding for Law Enforcement Officers, Information Technology classifications, Vehicle Equipment Repair Technicians and Supervisors, Transportation Technicians and Transportation Supervisors. Program on-hold due to budget shortfall. Attempted to career-band engineers and accountants and create alternative pay program for administrative positions. Program on-hold due to budget shortfall. Created plan to bring existing salary structures more in line with the marketplace for the remaining employees (not included in the first two bullets). Program on-hold due to budget shortfall. See Talent Management / Quick Wins & Talent Strategy – Workforce Planning Section of TMT Final Report for more information

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> Reinstate the Professional Engineer certification bonus, as a temporary means of bringing a portion of engineering staff salaries closer to market levels 	TM - Quick Wins	<ul style="list-style-type: none"> Reinstated Professional Engineer certification bonus. Program on-hold due to budget shortfall. See Talent Management / Quick Wins Section of TMT Final Report for more information.
<ul style="list-style-type: none"> Devote senior management time to communicating and demonstrating that the new performance management system is a tool for development and performance rather than a nominal administrative activity; ensure that persistent underperformers are terminated; and continue to recommend legislation that would allow performance-based pay, while exploring non-monetary ways to reward strong performers 	TM - Performance Management	<ul style="list-style-type: none"> Implemented new PDA system for top "150" leadership positions. This began cultural change of using performance management system for development and measuring performance. Focused on development and performance as key components of new PDA in Transformation Overview held for employees and PDA Training required for all NCDOT supervisors. Addressed persistent underperformers in PDA Policy. Senior leadership continues to work with external partners to obtain partial exception to GS 126 to allow for monetary reward for high performers. Explored non-monetary rewards and decided not to create a formal policy to allow managerial flexibility. See Talent Management / Performance Management Section of TMT Final Report for more information.
<ul style="list-style-type: none"> Align resources to ensure that appropriate strategic discussions of talent take place with regularity and at the right level 	TM – Leadership Planning	<ul style="list-style-type: none"> Posted Talent Management Strategist position to plan and coordinate talent needs throughout the Department (i.e., leadership planning, workforce planning). Holding filling of position due to budget shortfall. Established "Talent Management Review" as quarterly item on Strategic Management Committee (SMC) agenda. Creating process to prioritize and constructively present talent management needs to SMC to focus Departmental leadership on actions necessary to achieve our goals. <p>Developing new Leadership Planning process to identify competencies needed for the leadership positions and an applicant pool for these leadership positions. Human Resources personnel working on assessment piece of this initiative for Human Capital Institute certification.</p>

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> Begin to build a more innovative, proactive, and collaborative employee culture, reflected in individual mindsets. Members of the TMT and the NCDOT Leadership have received training on the "influence model," a proven approach for building desired mindsets and behaviors 	TM - Performance Management	<ul style="list-style-type: none"> Culture change began with implementation of Transformation recommendations. TMT Members returned to various parts of organization and are working within individual spheres of influence to champion and affect culture change. 24 mid and upper level NCDOT managers becoming Human Capital Institute certified by demonstrating their knowledge of human capital and strategic talent management principles and applying it to solve a real world talent management challenge at NCDOT.
Overall Next Steps		
<ul style="list-style-type: none"> Treat the next 12 months with a sense of urgency, far beyond business-as-usual, with the Transformation as one of the highest priorities for the organization 	<ul style="list-style-type: none"> Transformation Implementation and Support 	<ul style="list-style-type: none"> From June 2007 to October 2008 NCDOT dedicated 19 employees full time to the Transformation demonstrating both the high priority of the effort and a strong commitment to success. Senior managers met twice weekly to approve recommended changes for implementation. Developed and approved many enterprise wide process improvements and new programs in 16 months.
<ul style="list-style-type: none"> Put new processes through at least one cycle, put all organizational changes into place, and introduce critical legislation by September 2008 	<ul style="list-style-type: none"> Transformation Training and Rollout, Transformation Implementation and Support 	<ul style="list-style-type: none"> Implemented PDA's for 150 leadership positions. Implementing PDA's for remainder of employees on April 1, 2009. Completed and reviewed progress on initial Business Unit Action Plans. Re-aligned NCDOT by strategic Functional Areas. Working with General Assembly on critical legislation, especially Talent Management initiatives.
<ul style="list-style-type: none"> Ensure that transformation initiatives have long-term organizational owners 	<ul style="list-style-type: none"> Transformation Implementation and Support 	<ul style="list-style-type: none"> Transitioned unfinished Transformation initiatives to respective Business Units. Newly created functions (Strategic Planning, Strategic Management, Talent Strategist, Governance, Schedule Management, Priority Projects, etc.)

How NCDOT Addresses McKinsey's Report Recommendations

McKinsey's Recommendation	Activity Name	NCDOT Actions
<ul style="list-style-type: none"> Ensure that internal and external communication of the transformation is as proactive as possible 	<ul style="list-style-type: none"> PO - Design TMT Communications Strategy 	<ul style="list-style-type: none"> are essential to insure success of transformation efforts. Governance Office tracking and shepparding unfinished Transformation initiatives to insure completion. Communicated proactively during course of transformation at over 100 outreach events and with over 50 written updates. See Outreach Section of TMT Final Report.

TMT WORKSTREAM STATUS FINAL REPORT

January 2009

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Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
Agreements Management		To examine the current process for preparation of agreements, the number of work groups involved in preparing agreements and recommend changes to the process to make it more effective and efficient.	Team Lead - Victor Barbour Sandy Nance Pat Ivey Laurie Smith Jan Bryant	
		STATUS: 01/09/09- FHWA contract administration training done in November. Realignment of agreements group to Transportation Program Management has occurred. Phase I of web based agreements application is complete. Phase II is scheduled for completion in spring 09. Moving forward with remainder of recommendations. 07/01/08- Moving forward with web based agreements application. Phase I to be complete in August. Project Management work group to be formed to determine roles and responsibilities. Training materials development is beginning. Scheduling FHWA training class in contract administration. 04/28/08 - Waiting for final approval from Leadership Team for the remaining recommendations. 03/31/08 – Presented recommendations to Leadership Team. Moving forward with web based agreements and training development. Waiting for final approval from Leadership Team for the remaining recommendations. 02/07/08 - Team has gathered current practices and initiated a list of recommendations for improvements.		
Bridge Program		To review the Department's delivery of the Bridge program and develop options to improve program and project delivery resulting in increased productivity, efficiencies and overall lower costs.	Team Lead – Ellis Powell	
		STATUS: 02/07/08 - Leadership Team has endorsed proposals and work begun to implement		
	Central Bridge Manager		Team Lead – Lacy Love Jon Nance Dan Holderman Ellis Powell (TMT)	

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		STATUS: <u>12/31/08 – Bridge Manager Position on-hold due to budgetary conditions.</u> 03/31/08 - Duties incorporated into Central Bridge Management Office. Plan to post position in April 2008 and fill by May 2008.		
	Division Bridge Manager		Team Lead - Jon Nance Lacy Love Dan Holderman Neil Lassiter Ellis Powell (TMT)	
		STATUS: <u>12/31/08 – Position on-hold due to budgetary conditions.</u> 11/18/08 – Bill Goodwin sent e-mail to Divisions on 11-17-08 outlining the Field Scoping meeting process and asked the Divisions to name a point of contact until the Division Bridge Manager positions are filled. 03/31/08 - Meeting with Division Engineers to finalize job description April 1. Anticipate posting in May and filling in June.		
	Division Right of Way / Utility Coordinators		Team Lead - Victor Barbour (TMT) Doug Allison Robert Memory Tommy Cozart	
		STATUS: <u>12/31/08 – Division Right of Way / Utility Coordinators Position on-hold due to budgetary conditions.</u> 03/31/08 - Job description completed. Awaiting approval to move forward with posting and filling.		
	Sub-Regional Tier Design Standards		Team Lead - Jay Bennett Greg Perfetti Dave Henderson Njorge Wainaina	Complete

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
			Tom Drda (TMT)	
		STATUS: 12/31/09 – Design standards have been incorporated into policy. 03/31/08- Bridge Replacement projects with let dates Fall '08 through Summer '09 are being screened for savings (10 projects identified). Highway Design Branch and PDEA training guidelines are being developed. Next, bridge replacement projects with let dates beyond Summer '09 will be screened for possible changes.		
	Standard Bridge Plans		Team Lead – Greg Perfetti Dave Henderson Dan Holderman Tom Drda (FHWA) Jay Bennett	
		STATUS: 01/08/09 - B-4029 & B-4082 were let as a combined job in September 2008. (Project was awarded at 14.5% under engineer's estimate.) B-3830 has been delayed as a result of the budgetary conditions. Standards are being revised (for strand size) as agreed upon at the last PCI-DOT meeting. They are currently available for Structure Design Unit (SDU) use, and will be made available for download through the SDU web site for other potential users, e.g. Division. 03/31/08 - B-4029 in Bladen County, B-4082 and B-3830 in Columbus County to be let as cluster. Standards under development (15 degree skew and 5 foot span length increments).		
	Streamline Delivery Process	To reduce delivery time of bridge replacement projects from 5 years to 3 years. Review Bridge Maintenance process for applicability to all centrally designed bridge replacement projects.	Team Lead - Art McMillan Bill Goodwin John Rouse Randy Boyd Dan Holderman Ron Allen (TMT)	
		STATUS: 11-19-08 - Memo from Bill Rosser sent out 9-5-08 initiating the Tri-Managed vs. Division Managed processes. Bill Goodwin e-mailed Divisions on 11-17-08 outlining Field Scoping meeting process and asked Divisions to name a point of		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>contact until Division Bridge Manager positions are filled.</p> <p>08/06/08 – Even though the new process has not been officially implemented, the Data Collection Network in Project STaRS has been placed into production for users to schedule their projects. This network begins with PE funding and ends with the Field Scoping meeting. Once the determination is made whether the project will be Division managed vs Tri-Managed then the remainder of the schedule will be added (pending approval of the process).</p> <p>07/09/08 – Spoke with Art the other day about when he proposed to unveil new process. He said this month – July.</p> <p>Ron Allen, Jimmy Norris, & Bill Goodwin are working out the details of the data collection phase so this portion of the process can be implemented into the Project STaRS bridge network. The data collection phase is common to either the 24 or 36 month processes. Implementing this now will help Co-Project Managers schedule their projects.</p> <p>06/02/08 – Work group met on 05/19/08 to review comments from Preconstruction & Operations concerning revised process.</p> <p>03/20/08 - New process is in draft form. Additional meetings to take place in April to finalize the process. Hope to make recommendations by 4/11/08.</p>		
	Notification Process for Project Delays		Team Lead - Calvin Leggett Art McMillan Tom Drda (FHWA) Greg Thorpe Dan Holderman Calvin Leggett	Deleted
		STATUS: Recommendation has been eliminated.		
	Regionalize Pre - Construction		Team Lead - Art McMillan Pre-Construction Unit Heads Virginia Mabry (TMT) Mike Holder (TMT) Debbie Barbour	Complete
		STATUS:		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>1/09/09 - On July 17, 2008, Debbie Barbour sent out memo notifying the Department of the regionalization plan.</p> <p>07/09/08 – Draft memo and documentation sent to Debbie Barbour so she could inform the Department of the regionalization plan implementation.</p>		
	Division Managed Bridge Projects	On bridge projects on the Sub regional tier currently being handled by Bridge Maintenance Unit, Division would manage the process and coordinate with Preconstruction or PEFs as appropriate to deliver bridge replacement projects on schedule and on budget.	Team Lead - Neil Lassiter Dan Holderman Bill Goodwin Ron Allen (TMT) Jon Nance	
		<p>STATUS:</p> <p>12/31/08 – <u>Pilots for Divisions 6 and 12 on hold due to lack of funding</u>, Division 2 (2 bridges) pilot to begin with on site scoping in early 2009. A training process needs to be developed to fully implement this in all Divisions.</p> <p>03/31/08 - Procedure has been drafted needs approval prior to implementing pilots. Divisions 2, 6 and 12 have volunteered to pilot. Combined with Streamline Delivery Process work group.</p>		
	Maintenance, Preservation and Rehabilitation Strategies		Team Lead - Dan Holderman Greg Perfetti Tom Drda (FHWA) Lacy Love	
		<p>STATUS:</p> <p>12/31/08- Manual is scheduled to be complete by April 2009.</p> <p>03/31/08 - Central Bridge Management hired NCSU to develop manual. Manual to be complete by December 2008. Training will follow in early 2009.</p>		
	On-site Scoping Meetings	Establish a procedure for on-site scoping meetings for all bridge projects such that as many decisions as possible can be made at the scoping meeting.	Team Lead - John Rouse Randy Boyd Jimmy Marler Bill Goodwin Greg Perfetti Jay Bennett	Memo from Bill Rosser was sent out 9-5-08 initiating the Tri-Managed vs. Division Managed processes

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
			Ron Allen (TMT)	
		STATUS: 11-19-08 - Bill Goodwin sent e-mail to Divisions on 11-17-08 outlining the Field Scoping meeting process and asked the Divisions to name a point of contact until the Division Bridge Manager positions are filled. 03/31/08 - Draft of On-Site Scoping Meeting Worksheet under review by On-Site Scoping Meeting Team Members and by Streamline Delivery Process Team Members. Combined with Streamline Delivery Process work group.		
	Permit Requirements and Project Commitments		Team Lead - Greg Thorpe Dave Henderson Don Lee Tom Drda (FHWA) Ken Pace (TMT)	
		STATUS: 01/08/09 - <ul style="list-style-type: none"> In preparation for a workshop to be held on these issues with NCDOT staff and resource agency partners, interviews have been conducted with NCDOT staff from Hydraulics, Roadway, Structures, Roadside Environmental Unit, Utilities, and 3 Division Environmental Officers. One interview has been conducted with US Fish & Wildlife Service. Staff have spoken with other resource agencies and they are all interested in meeting for interviews; these will be scheduled in the near future. Meeting minutes have been distributed to NCDOT. From the interviews, Staff has determined one common goal of improved communication. Everyone in the interviews had a lot to comment on and was very interested in the workshop that is proposed (possibly in the Spring?) A national survey regarding permitting issues will be submitted to AASHTO's Standing Committee on the Environment (SCOE) in January 2009. 03/31/08 - Initial internal meetings have occurred. Initial meetings with agencies scheduled for May 2008.		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
	Delegated Program for NCDENR Water Quality Permits		Team Lead - Don Lee Greg Thorpe Johanna Reese Dave Henderson Ken Pace (TMT)	
		STATUS: 01/07/09 – A kickoff meeting with agency leads is scheduled for January 20th. The workstream is not complete and will require additional time due to the necessary participation of multiple agencies and the possible need to create new or revise existing Nationwide Permit(s) and Water Quality Certification(s). Don Lee and Ken Pace are the follow-up contacts. 10/14/08 – Lacy Love presented this environmental streamlining proposal to the Interagency Leadership Team (ILT). The ILT set up a Bridge Replacement Improvement Team that will further work on this proposal. The Team will consist of representatives from NCDOT, NC Department of Environmental and Natural Resources, US Army Corp of Engineers, Wildlife Resources Commission, FHWA, and the Department of Cultural Resources. 04/25/08 - Presented white papers to upper management on April 25th. Develop implementation plan based on input from management. White papers have been finalized and given to Sec's office for discussion with DENR and USACOE's . 03/31/08 - Operations and Preconstruction subcommittees have developed white papers and are developing implementation plan. Will meet on this in April 2008.		
	Budget Based Bridge Program		Team Lead - Calvin Leggett Art McMillan Greg Perfetti Lacy Love Ellis Powell (TMT)	
		STATUS: 1/09/09 - Work is underway to assign appropriate PE budget level per Business Unit for Bridge Projects. Implementation of this work stream awaits completion of the Budget Workstream that is to develop appropriate time charging guidelines and calculate overhead for the Department. 03/31/08 – Preliminary Engineering (PE) expenditures for each Business Unit have been determined. Implementation has not been determined.		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
	Funding Options for Improving Bridges		Team Lead - Calvin Leggett Art McMillan Lacy Love Al Avant Burt Tasaico (TMT)	Complete
		STATUS: 1/09/09 - In August 08 the Board of Transportation approved ramping up design for 40 additional bridges in 09 and 80 additional in 2010. 03/31/08 - Funding options for the expanded Bridge program will be presented at the May TIP Subcommittee meeting.		
Budget		To develop appropriate time charging guidelines and calculate overhead for the Department.	Team Lead - Terry Gibson Stephanie King Joe Wilson Lorie Coley Eric Boyette	
		STATUS: 1/7/09: Fiscal is aligning WBS structure with the re-aligned Cost Centers for reporting. Once finalized it should be ready to go by end of January 2009. 12/31/08 - WBS structure was completed and ready for implementation when the Dept Realignment was announced. Once new cost centers are finalized need to align the WBS structure with the new organization and implement. 5/30/08 – Received approval to move forward from the LT on 5/21/08. WBS structure to be built by July 1, 2008. Working to develop funding scenarios for Preconstruction, Operations, and all other modes. Developing training /communication plan. Working to develop overhead calculation for external comparison purposes and BW reporting methods. 4/24/08 – Received federal guidance on funding training and administrative costs for Preconstruction and Resident Engineer offices. In the process of completing the recommendation that will be presented to the TMT and the LT in the near future. 03/25/08 – Team continues to meet and has received input from a business unit survey related to addressing issues with more appropriately charging labor, training, and other costs. Team is developing scenarios to illustrate best options (internal order or WBS elements). The illustrations will show how each process would work for a Field position and for a Preconstruction position. Pros and cons of each scenario for comparison purposes will be provided. Team will demonstrate how overhead items would be captured and calculated in each scenario outlined. The overhead demonstration should address admin labor, additives, assessments, purchases and other overhead type		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>costs that would be applied to a Cost Center.</p> <p>Team will include an example of how training will be broken into three major categories (Admin, Technical, and Safety) for each scenario. It should also discuss how the reporting mechanism will work for this information and should include issues that need to be addressed in the reporting mechanisms.</p>		
Business Unit Assessment		To have business units clearly articulate their mission, identify their end products and associated production costs; to understand their customers and other internal and/or external entities that provide similar services; to offer suggestions as to how the Department can better satisfy the new goals, track costs, and charge time; and to provide their budgetary data by cost center for personnel, non-personnel, and contractual services.	Team Leads: Priscilla Tyree Alpesh Patel	
		<p>STATUS:</p> <p>8/04/08 – Internal Efficiencies presented to the Executive Committee, Leadership Team and TMT on 7/10/08. The following IEs were presented: Utilities Coordination Unit, GIS Layers (Program Development), Ferry Division, General Services Division, Traffic Engineering and Safety Systems, Branch, Bridge Management, and Oversize//Overweight Permits. Meeting to outline the final report of this exercise. Anticipated completion date – mid- to late September</p> <p>7/10/08 – Status of Internal Efficiencies to be presented to the Executive Committee, Leadership Team, and TMT.</p> <p>5/30/08 – Received and reviewed action plans /responses from 6 of 8 BU managers regarding Internal Efficiency improvements. Each BU manager will be asked to present their action plans at an upcoming TMT meeting (June/early July).</p> <p>4/24/08 – Followed up with all Internal Efficiency memo recipients on status of their action plan development. Secured a date for reporting of these action plans to LT in May. Preparing follow up (and thank you) memos to all BU are from our original survey. BU's not already affected by a work stream will be solicited for any remaining business improvement ideas for TMT to study.</p> <p>03/25/08 – Presented initial findings to Leadership Team February 2008. Follow up Memos seeking action on Internal Efficiency improvements were sent to respective BU managers at the end of March with responses due in 30 days. Presentations by these managers to an expanded TMT meeting are being scheduled for April/early May 08.</p> <p>Three workstreams (Traffic Counts, Safety/Loss and Security, and ADA) were identified in the overall Business Unit Assessment and are currently underway.</p> <p>02/07/08 – Completed survey synthesis. Presented approach to Executive Committee January 24, 2008, scheduled to present findings and approach to TMT February 4, 2008 and to Leadership Team February 2008.</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
	Americans with Disabilities Act (ADA)	To better understand the current functionality of ADA and determine if it effectively serves the Department's needs.	Team Lead - Priscilla Tyree	Complete
		<p>STATUS:</p> <p>1/9/09 - Created new ADA function in Office of Civil Rights. Walt Thompson is now the single Point of Contact for all ADA related matters at NCDOT. Updating ADA Transition Plan. Reconvened ADA Oversight Committee.</p> <p>12/2/08 – Recommendations provided to the Deputy Secretary for Administration & Business Development for his action.</p> <p>8/04/08 – Presented recommendations to TMT on 7/28/08. Incorporated feedback and suggestions into the presentation, which was made to the Leadership Team on 7/29/08. Meeting with Deputy Secretary Roper week of 8/4/08 for next steps.</p> <p>7/11/08 – Second work group meeting scheduled.</p> <p>6/30/08 – Conducted first work group meeting.</p> <p>April, May, & June – Completed interviews with stakeholders: Work Zone Safety, Aviation, PTD, Rail, Bike & Ped,</p> <p>4/22/08 - Met with Alternative Delivery Unit. Identified the following stakeholders for interviews: Kevin Lacy, Stuart Bourne, Safety & Loss, AG, Transit (Aviation, PTD, and Rail), FHWA, and GHSP.</p>		
	Safety, Loss and Security	To gain a better understanding of the role and responsibilities of these two BU's and identify streamlining opportunities (from a structural, functional, and management perspective) that improve services.	Team Leads: Alpesh Patel Priscilla Tyree	Complete
		<p>STATUS:</p> <p>1/9/08 – Created Division of Safety & Risk Assessment to align related functions.</p> <p>12/2/08 – Recommendations provided to the Deputy Secretary for Administration & Business Development for his action.</p> <p>6/10/08 – Presented recommendations to LT after presenting them to TMT on June 9th. Made changes to the LT presentation as directed by TMT. Next action – assigned to Deputy Secretary of Administration & Business Development for implementation.</p> <p>4/24/08 - Prepared preliminary recommendations (including reporting line, role/responsibility changes, and office name change for Safety & Loss and Security leaders)</p> <ul style="list-style-type: none"> provided conceptual org chart outlining shift in responsibilities to TMT Project Manager working with HR to study salary and responsibilities of a Security Director (similar to Jeannie Bailey's current position) 		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		03/31/08 - Interviewed staff and BU managers in both Units. Interview results are being translated into a draft set of preliminary recommendations for TMT review.		
	Traffic Counts and Traffic Data Management	<p>To identify a more strategic approach to managing traffic data and count collection services statewide. Analysis includes:</p> <ul style="list-style-type: none"> shared use and communication capabilities of equipment use of technology to stream information in real time to internal and external customers. Storage and maintenance of data in a single database with mapping interface improved collaboration of various BU's that either produce or need the data. Consideration of a plan to govern long term decision making on the placement, use, collection & dissemination of traffic data 	<p>Team Lead - Alpesh Patel</p> <p>Meredith McDiarmid Will Beatty (FHWA)</p>	
		<p>STATUS:</p> <p>11/18/08 – Held 2nd workshop on August 29th attended by same participants as July 23 workshop. Nine deliverables were presented, 2 technical presentations were made on traffic count systems, and Bill Rosser announced workstream handoff to Division of Mobility and Safety. Both workshop materials have been posted to the following site:</p> <p>http://www.ncdot.org/doh/preconstruct/traffic/safety/TSI/TMT.html</p> <p>8/6/08 – Held a workshop on July 23 attended by over 30 participants representing the following units (Transportation Planning, Traffic Engineering, IT, ITS, Equipment, Operations, Asset Management , Ferry Division, Roadway Design and PDEA). Workshop included:</p> <ul style="list-style-type: none"> presentation of workstream findings and preliminary recommendation of a single program management model facilitated small group breakout sessions focused on three improvement areas: Central repository for counts, Statewide Policy to clarify roles, responsibilities, standards/specs, and a Strategic Plan for managing equipment within the three tier network. group identified concerns and hurdles associated with a new operating model, and defined near, mid, and long term deliverables to improve management of DOT's count program. NINE near term deliverables were assigned owners with due dates split between Aug 6 and Aug 28. <p>7/9/08 – Presented findings and preliminary recommendations to TMT (June 23) and LT (June 25). Preparing for July 23 workshop with all stakeholders, which will include discussion of findings, input from a national traffic monitoring expert, and</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>identifying action steps to implement improvements. Workshop summary expected to be provided to TMT on July 28.</p> <p>5/30/08 – Solicited input from RTE's and DTE's at quarterly roundtable meeting (May 22). Preparing power point with draft recommendations for June 23 TMT meeting.</p> <p>4/24/08 - Conducted 3 more stakeholder interviews. Added a new team member (Will Beatty, FHWA). Participated in April 15 webinar on traffic data technology. Read Mike Bruff's PMP paper (1999) on how to improve traffic count program. Made a site visit to City of Raleigh's traffic engineering dept., prepared an April 29 site visit to Div 6 and City of Fayetteville staff. Sent survey to Division Engineers (responses due week of April 21). Following up with 4-5 states on traffic data storage requirements and applications. Set up 2nd and 3rd meetings with GIS staff to secure their help on single traffic database concept. Scheduling additional meetings with traffic count consumers in NCDOT. Continuing to prepare draft report and preliminary recommendations.</p> <p>03/31/08 - Feb/March 08 -- Conducted 4 interviews with stakeholders. Researching national best practice on traffic data management. Identifying an inventory of traffic related equipment with communication capabilities. Setting up additional interviews with ITS and Traffic Eng staff. Preparing survey to send to Division Traffic Engineers. Meeting with staff in GIS to learn how Linear Referencing System could support a one traffic count map concept.</p>		
Customer Service Survey		Assess customer satisfaction with the products and services the various units in the NCDOT provide.	Team Lead – Jeff Roerden Doug Cox Victor Barbour	
		<p>STATUS:</p> <p>1/8/09 – Identified seven pilot units: Division 7, Public Transportation Division, Purchasing, Human Environment Unit of PDEA Branch, Roadway Design Unit of Highway Design Branch, IT Enterprise Services, DMV Driver and Vehicle Services. Conducted workshop with pilot unit directors. Identified customer groups and established customer lists for each pilot unit. Established survey questions and dimensions. Actual survey to be conducted in January and February 2009 with participating pilots.</p> <p>8/6/08 – Presented concept to TMT and Leadership Team. Leadership Team approved the concept and advised piloting the methodology in a sampling of NCDOT units. In the process of lining up pilots and developing the survey instrument.</p> <p>7/10/08 - Established an advisory committee. Established initial proposal that will be presented to TMT and Leadership Team July, 2008.</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
Document Reproduction		Examine the current processes used for printing across the Department, the amount of printing being performed, the number of work groups that have printing operations, and recommend changes in the process to make it more effective and efficient.	Team Lead - Victor Barbour	
		STATUS: 1/9/09: Realigned IT printing at Century Center to Contract Standards and Administration. Developing requirements document for web-based printing job submission. Developing standardized fleet program for maintenance and operations of copiers and printers. 07/01/08- Developing implementation plan for recommendations. 4/28/08 – Presented recommendations to TMT. 03/31/08 – Putting report and final recommendations together. 02/07/08 - Team has met 3 times and has gathered current practices and has begun a list of recommendations for improvements.		
Equipment Management		To develop recommendations using asset management concepts to transform the NCDOT into an organization that understands, implements, and values true fleet management practices. To collect data and develop best practices through research. To develop training for the Central Equipment Unit, Division Equipment Unit, and Equipment end users to make our equipment management techniques more efficient.	Team Lead - Terry Gibson Drew Harbinson Mike Mills Brian Burch Dave Van Pelt Mark Hartman	
		STATUS: 1/13/09 – <u>Awaiting outcome of research study on depreciation, utilization, and equipment life span which is on hold due to budgetary conditions</u> 6/02/08 - TMT presentation on Monday, June 2, 2008 with LT presentation on June 5. 4/24/08 - Developed training outline for equipment asset management strategies and established target dates and target audiences. Received a positive opinion from the AG's office concerning the tool reimbursement recommendation for VERT positions in Equipment. Completed the RFP for the Depreciation/Utilization Study. Received tentative approval to post one additional Spec Writer in Equipment for QC purposes. Began work on job description and business case to re-create the Assistant Fleet Manager position in each division. Began work on fiscal justification for the \$100 million balance in the equipment revolving fund. Anticipate coming to the TMT sometime around May 19 with recommendations.		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
	Depreciated Life and Utilization of Equipment Case	<p>To analyze the past four years of NCDOT data to help determine the most efficient time to replace equipment based on class code and depreciation and utilization factors for each.</p> <p>STATUS:</p> <p>1/19/09 - Recommended award of research study on depreciation, utilization, and equipment life span to ECU. <u>On hold due to budgetary conditions.</u> May be added to other NCDOT research proposals to be considered later this year.</p> <p>5/30/08 – Process for acquiring consultant to perform research is underway. Expect results in July 2009.</p> <p>03/19/08 – met with Steve Varnedoe, Lacy Love and Jon Nance and received the “go ahead” to pursue research funding through Moy Biswas to develop this information.</p> <p>03/12/08 – Developed business case for performing the case study</p>	<p>Team Lead - Terry Gibson Drew Harbinson Lacy Love Moy Biswas</p>	
	Identify and Develop Training for Equipment and Division Field Personnel	<p>To determine best management practices and develop on-going training for all central equipment personnel, division equipment personnel, and appropriate Division field personnel to maximize the efficient use of our equipment and begin a culture change centered on asset management principles for NCDOT equipment.</p> <p>STATUS:</p> <p>1/13/09 – <u>Awaiting outcome of research study on depreciation, utilization, and equipment life span which is on hold due to budgetary conditions</u></p> <p>5/30/08 – Developed Training Plan, Will be presented to LT on June 5, 2008.</p> <p>03/19/08 – Met with Steve Varnedoe, Lacy Love and Jon Nance and received the “go ahead” to begin developing training on best management practices for true fleet management as a starting point until we can get the outcome of the depreciation and utilization study.</p> <p>03/18/08 – Mike Mills and Brian Burch questioned Division Management across the State to determine their needs for best</p>	<p>Team Lead - Terry Gibson Drew Harbinson Mike Mills Brian Burch</p>	

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>practices as it relates to fleet management.</p> <p>03/13/08 - Drew asked all Division Equipment Superintendents to provide information on what they thought they needed to become more efficient</p> <p>03/08/08 – Brian Burch interviewed select Div Equip Superintendents and several private construction companies to determine best practices</p>		
	Develop a Business Case to Recruit and Retain VERTS	NCDOT has been losing several Vehicle Equipment Repair Technicians (VERTs) to other public agencies. The purpose of this sub task is to research the incentives that like businesses are using and to recommend changes to make NCDOT more competitive.	Drew Harbinson Mark Hartman	
		<p>STATUS:</p> <p>1/9/09 - Tool Allowance for VERTs: Office of State Budget (OSB) approved program subject to resolution of IRS issues. Submitted statement from IRS addressing OSB concerns. <u>On hold due to budgetary conditions.</u></p> <p>5/30/08 – Business Case to LT June 5, 2008.</p> <p>03/19/08 – Met with Steve Varnedoe, Lacy Love and Jon Nance and received the “go ahead” to investigate legal issues associated with providing tool reimbursement to employees. Would like to see it work similarly to the Safety Shoe reimbursement policy.</p> <p>03/18/08 – Developed Business Case for tool reimbursement for VERTs. VERTs are required to provide their own tools (approx \$20,000) in accordance with industry practice. Other public entities are now providing toll allowances for their employees.</p>		
	Procurement Spec Writers	The equipment unit purchases large amounts of equipment. It is essential to have enough specification writers to make sure we are receiving the best value for our dollar. The purpose of this workstream is to provide a business case to be allowed to convert a vacant position to an additional Procurement Spec Writer.	Drew Harbinson	
		<p>STATUS:</p> <p>1/9/09: Add an additional Spec Writer: Submitted package (including job description) to HR for position reclassification. <u>Placed this action on hold when equipment purchases were suspended due to budgetary conditions.</u></p> <p>5/30/08 – Business case to LT on June 5, 2008.</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		03/19/08 - Business case due at April 10 meeting.		
	Scanner to Record VIN Numbers for Delivered Equipment	Due to the length and the importance of the VIN numbers Equipment needs a quick and accurate method to collect the VIN numbers from newly delivered equipment. Currently VIN numbers are recorded by hand. They are approx 16 digits long. If the VIN number is recorded incorrectly, it is very difficult to track and find the equipment after it is issued. They have been working with IT on a system to electronically read and record the VIN numbers but currently the system is not working. When it was working, it was not working at the level desired by the Unit. A product is commercially available to provide this service. This work stream has been placed on hold until the next meeting to give time to determine the magnitude of this problem.	Drew Harbinson Dave Van Pelt	Complete
		STATUS: 5/30/08 – Non issue at this time. IT has the devices working. May need additional scanners. Will still monitor success. 03/19/08 - Reviewing magnitude of the problem and determining status of IT working to resolve problems		
	Review Status of Equipment Revolving Fund Balances	There is a large balance of money in the equipment revolving fund. This work stream will evaluate and report on the reasons for the large balance and will recommend what balance should be maintained in this fund in the future. It will determine the appropriate cash flow into the fund once NCDOT begins to manage the equipment asset more efficiently.	Team Lead - Terry Gibson Drew Harbinson Mike Mills Brian Burch Dave Van Pelt Mark Hartman	
		STATUS: <u>1/13/09 – Awaiting outcome of research study on depreciation, utilization, and equipment life span which is on hold due to budgetary conditions</u> 5/30/08- Recommendation to LT on June 5		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		03/19/08 - Work will begin on this work stream when we determine the most efficient life cycle of our fleet.		
Funding		Increasing economic pressure brought on by growing demand for services, rising costs, flattening revenue and a \$65B funding shortfall over the next quarter of a century required new thinking about funding NCDOT programs and services. New diversified funding sources and processes to close the gap were identified and sized for future consideration by NCDOT and the General Assembly.	Burt Tasaico	Complete
		STATUS: 12/10/08: Presentation made to LT, information shared with and used by 21st Century Transportation Commission.		
Information Technology		Through the TMT diagnostic, internal surveys, meetings and interviews, employees consistently raise concerns about the level of service provided by the NCDOT Information Technology department. The IT workstream was established to conduct a comprehensive assessment of the issues creating concerns for NCDOT employees, document the issues, and to make recommendations to address the issues being raised.	Team Lead - Mark Tyler Jan Bryant Mike Pettyjohn Victor Barbour Frank Winn	
		STATUS: 03/31/08 – The IT assessment team reported its findings to TMT on 2/25/08 and to the Leadership team on 2/27/08. Implementation of the approved recommendations will begin immediately upon approval. 02/07/08 - The IT assessment is scheduled to report its findings to the TMT in February 2008.		
	Document Management / Collaboration Solution	Several Business Units have identified the need for document management solutions to support NCDOT business processes. Units that have expressed an immediate need include: Transportation Planning, PDEA, Project Services and IT. Future needs include a document management solution to manage Departmental Policy	Team Lead - Mark Tyler Jan Bryant Mike Pettyjohn Victor Barbour Frank Winn Ron Allen Missy Dickens Alpesh Patel Glenn Dennison	

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		STATUS: 10/06/08 – The Strategic Management Committee (SMC) approved this project for Initiation as a priority one project. The project charter will be presented to the SMC in January 2009. 03/31/08 – Technology need identified and will be presented to Senior Management following approval of IT recommendations.		
	Data Integration	To perform a comprehensive review of all Information Systems to determine what data is needed for strategic management reporting. Automation of the Executive Dashboard will be a key deliverable from this initiative.	Team Lead - Mark Tyler Jan Bryant Mike Pettyjohn Victor Barbour Frank Winn Brenda Franks John Farley	
		STATUS: 1/5/09 - The project was initiated in January 2009 and work is under way. 9/2/08 - The Strategic Management Committee (SMC) approved this project for Initiation as a priority one project. 03/31/08 – Technology need identified and will be presented to Senior Management following approval of IT recommendations.		
Marketing		To create an implementable plan to improve the public image of the Department.	Team Lead - Kelly Damron	
		STATUS: Next Step – Once budget is less constrained, the SMC should revisit this workstream. First step will be to draft a scope of work for external assistance. Use UNC Healthcare approach as shared by Office of State Personnel as a model. 12/02/08 – In mid-2008 TMT Leadership Team agreed to consider a “scope of work” document for outside assistance in branding and improving the public image of the Department. <u>This activity was put on hold due to the realignment and budget conditions of Fall 2008</u> 04/29/08 – Met with Communications Office 4 times to determine next steps in improving public image of NCDOT. 02/07/08 - Recommendation to develop marketing function within NCDOT (based on McKinsey recommendation) approved by Leadership Team in December 2007. TMT leadership is in discussions with NCDOT Communications Office regarding implementation.		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
Mobility		To evaluate how to better achieve the Department's goal of "making our transportation network move goods and people more efficiently", with a focus on Highway Systems Operations.	Team Lead - Kelly Damron Meredith McDiarmid Greg Fuller Joe Geigle (FHWA) David Wasserman	
		STATUS: 11/17/08 – Presented final recommendations to SMC. Recommendations will be implemented by DOH/FHWA Business Plan efforts and Mobility Program Manager. The basic recommendations are to: <ul style="list-style-type: none"> • Measure Mobility – highways and other modes: define measures, asses baseline and set targets • Broaden our "Mobility Toolbox" – introduce innovative approaches to improve mobility into our planning and project development processes • Improve NCDOT processes to <ul style="list-style-type: none"> ○ Mainstream and Improve Systems Operations ○ Improve Mobility Planning 04/29/08 – Submitted final Implementation Plan to Project Manager. Will be submitted to Leadership Team after his review is complete. 02/07/08 - Took analysis and recommendations to TMT and LT in October, 2007. Began work on Implementation Plan in January 2008. Working on finalizing implementation plan – Taking to LT in April 2008.		
NCMIN (Tiers) Formalization		To formally define the components/routes of NCMIN system across each tier and mode.	Team Lead - David Wasserman	Complete
		STATUS: 08/05/08 – NCMIN Definitions, SHC Vision Plan modifications, and updated process to modify the Vision Plan approved by BOT on July 10, 2008. 07/09/08 – NCMIN Definitions, SHC Vision Plan modifications, and updated process to modify the Vision Plan to BOT for approval. 06/02/08 – Will present NCMIN Definitions, SHC Vision Plan modifications, and updated process to modify the Vision Plan to BOT Statewide Plan Committee on June 4 th , and then the full BOT for approval.		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>04/25/08 – Leadership Team approved NCMIN Definitions, SHC Vision Plan modifications, and updated process to modify the Vision Plan. Will present all items to the BOT Statewide Plan Committee on May 1 and full BOT in June for approval.</p> <p>04/02/08 – Took verbal and written comments on approach and specific route changes and developed high-level recommendations that were presented to Chief Engineer, Director of Field Operations, and Director of Asset Management. Developing final recommendations for review by Department staff before forwarding to Board of Transportation (BOT).</p> <p>03/20/08 – Currently reviewing comments on approach and specific route changes.</p>		
Office of Inspector General		To assess the current auditing functions of the Department and make recommendations that would reduce organizational risk through improved internal controls.	Team Lead - Mark Tyler Tim Johnson Jan Bryant Mark Tyler Terry Canales Bruce Dillard	Complete
		<p>STATUS:</p> <p>10/1/08: Office of Inspector General was created and Bruce Dillard was named Inspector General.</p> <p>02/07/08 - The team has delivered its recommendations to the LT and is awaiting approval from Secretary Tippet.</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
Organizational Realignment		The NCDOT Realignment was implemented to <ul style="list-style-type: none">• make NCDOT more strategically oriented, accountable, efficient and effective in its use of resources,• focus on outcomes-based performance metrics,• align business units along strategic functional lines,• improve coordination among business units,• improve accountability for delivery of projects, programs, services and initiatives,• improve coordination across geographies in planning, designing, delivering and maintaining projects• transition to a comprehensive multi-modal approach to delivering transportation services• be an even greater workplace for our 14,000 employees. and ultimately, provide the transportation network and services needed by North Carolinians.		
		1/27/09 – Recommendations on Modifying Linkages to North Carolina Railroad & North Carolina State Ports Authority remain to be acted on.		
		8/7/08 – Implemented Organizational Realignment		
Policy Office Assessment		To investigate whether to establish a DOT Policy Office or other entity that would manage, maintain, and keep current policies, procedures, guidelines, etc. in one place.	Team Lead - Missy Dickens Terry Canales Ehren Meister	
		STATUS: 11/13/08 – Job description of Office Director has been written and discussed with HR. Two additional job descriptions – for a ME II and a AO II – must also be written. Missy is the contact for this, and will do the additional job descriptions. <u>Hiring freeze due to budgetary conditions has temporarily impeded the progress of this initiative.</u> 03/31/08 –Recommendation to establish Policy function (single position) presented to TMT on 2-25-08 approved by LT on 2-26-08. Draft PD-102 has been developed and discussed with HR; job classification to be discussed with LT on 4 -3-08. 02/27/08 - Information gathering is ongoing. Thirteen interviews have been completed, and at least five or six more will		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		probably be conducted. Review underway of policy management practices across NCDOT and looking for best practices outside of the agency. One early item needing further study by legal counsel is who has statutory authority to develop and establish policy.		
Prioritization		To develop an overarching strategic prioritization process based on desired outcomes and one that is collaborative, visible, data-driven and is geared towards meeting Department Goals and Objectives.	Team Lead - David Wasserman Joey Hopkins	Complete
		STATUS: 11/13/08 – Strategic Planning and Prioritization Guidelines (Manual) completed 04/25/08 – Continuing to finalize and format Strategic Planning and Prioritization Manual 04/02/08 – Specific details of prioritization have been put on temporary hold. It was determined that we need to develop a better understanding of needs and an easily understandable format to present those needs to stakeholders. This will include an early effort to determine whether the draft TIP (09-15) is focusing on the right projects to “move the needle”. 03/20/08 – Continuing to work on specific details of prioritization. Finishing Strategic Planning and Prioritization Manual. Continuing Prioritization discussions with key MPO leaders. 02/07/08 - LT approved the framework in November 2007. Since then, framework has been shared with BOT, Executive Committee, Metropolitan Planning Organization (MPO) leaders, and limited number (6) Business Units (BU's). On February 5, 2008 a summary of this framework was shared at Division of Highways Operations Staff meeting. Specific details of prioritization are still being developed including an implementation plan.		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
Program and Project Delivery		To assess current organizational functions that “better enable” program and project delivery. The workstream will assess alternative structures and processes that would improve overall program and project delivery.	Team Lead - Mark Tyler Randy Garris Jim McMellon Paul Worley Anthony Roper Virginia Mabry Don Voelker Ron Allen	Complete
		STATUS: 10/01/2008 – The Technical Services Division was created and the recommended organizational changes were implemented. 02/07/08 - Kickoff meeting held February 4.		
Project STaRS		To develop recommendations to increase the reliability, validity, and accountability in the STIP scheduling through consistent, across-the-board usage of Project STaRS (formerly PMii) and emphasize that it is the scheduling and reporting tool for the Department.	Team Lead - Ron Allen Jimmy Norris Stan Macintyre Majed Al Ghandour Greg Brew Burt Tasaico Mark Tyler Brian Yamamoto	Complete
		STATUS: 11/19/08 – The Schedule Management Office was created as a part of the Transportation Program Management Unit within the Technical Services Division. One of the main functions of this group is the oversight of project schedules utilizing Project STaRS and BI reporting. 08/06/08 – Debbie Barbour is reviewing Project STaRS Maintenance Policy and memo for distribution. 07/09/08 – A Project STaRS workshop was held for Co-Project Managers and Activity Managers (100 in attendance). The purpose was to reinforce the concept that consistent and proper usage of the system was needed to make the Executive Dashboard and performance metrics tracking more effective and accurate. The attendees were instructed that the use of unconstrained forecast scheduling will begin on July 18, 2008. 06/02/08 – A Project STaRS Executive Level Workshop was held at the Century Center on 5/14/08. The purpose was to engage management in the issues of Project STaRS usage and how lack of or improper usage will affect the Dashboard and metrics reporting. Another workshop for Co-Project Managers and key Activity Managers is being planned for 6/25/08. A		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>Schedule Change Policy and Guidelines for Time Charges is under development.</p> <p>02/12/08 - Recommendations, including the establishment of a Project STaRS Unit were developed and presented to the TMT in January. A white paper for the Project STaRS Unit has been finalized and was presented to the LT on 2/12/08.</p> <p>03/27/08- The Project STaRS work stream has been incorporated into the Program & Project Delivery work stream.</p>		
Strategic Planning Office		Manage the strategic planning process for NCDOT.	Team Lead - Don Voelker	Complete
		<p>STATUS:</p> <p>07/09/08 – Alpesh Patel and David Wasserman assigned to SPOT effective July 1, 2008. A “SPOT 101” power point presentation and an article for the “In the Loop” newsletter have been prepared to outline SPOT's roles and responsibilities. The SPOT office is available to share its role and responsibilities with business units at their request.</p> <p>04/28/08 - We have outlined three initial workstream efforts of SPOT. Clearance to proceed has been given by Dep. Sec. Coward, Canales and TMT team leads Barbour, Gibson and Hopkins.</p> <p>02/07/08 - Director has reported for duty. Roles and responsibilities have been outlined. Discussions are underway on what will be the ultimate functions of the office and what staffing will be needed to carry out those functions.</p>		
	GIS Maps of Strategic Highway Corridors	Develop GIS maps of the Strategic Highway Corridors related to NCDOT Goals of Safety, Efficiently and Last Longer and the draft delivery TIP FY 09-15 (first 36 months) projects in an early effort to determine whether the draft TIP (FY 09-15) is focusing on the right projects to “move the needle” on the gauges with respect to the Strategic Highway Corridors (SHC). These maps will depict SHC routes where current performance is below expectations. Maps can be overlaid to depict whether sections of SHC appear to be performing below expectations in more than one “goal” area. Finally, a map of delivery TIP and/or current construction projects can be developed to visualize whether these projects are located in areas showing performance being less than desirable.	Team Lead - David Wasserman Alpesh Patel Ehren Meister	Complete
		<p>STATUS:</p> <p>11/18/08 – Maps and conceptual prioritization models presented to 21st Century Committee (Nov 5), SMC (Sept 8), and MPO officials (Nov 14).</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>08/05/08 – Maps have been presented to Operations Staff on August 8th, will be presented to the Exec. Comm on August 7th, and the BOT Statewide Plan Committee in September.</p> <p>07/01/08- Maps have been presented to Leadership Team. After some additional minor changes, the maps are expected to be rolled out in early August.</p> <p>06/02/08 – Data gathering and analysis are almost complete. Draft maps should be developed this week.</p> <p>04/28/08 – A conceptual workplan has been formulated. Limited work on showing volume to capacity ratios and sections of Strategic Highway Corridors is complete.</p>		
	Programs and Services Prioritization Process	Develop a listing of projects, programs, services and initiatives that could be considered where NCDOT might focus their efforts if additional revenues were to become available. Effort is directed at the SHC but it is recognized that additional revenues will likely need to be used on more than just the SHC.	Team Lead – Ehren Meister Alpesh Patel David Wasserman	Complete
		<p>STATUS:</p> <p>11/18/08 – Identified near term “Top 9” list of programs, services and initiatives have been developed and presented to SMC (Sept 8) and 21st Century Committee (Nov 5). List was generated from staff input from across DOT and supported by simple benefit-cost analysis.</p> <p>08/08/08 – Program inventory list has been validated or altered based on consultation with program managers. Performance and financial data has been collected from selected pilot programs for further analysis. Pilot programs for study include the Sealed Corridor Program, the Interstate Maintenance Program, and the Incident Management and Traveler Information Program (ITS). The program analysis business plan outline has been developed. The next step is to draft a report summary of the findings and any proposed recommendations for further study.</p> <p>07/01/08 – Work plan has been developed. Initial steps of the effort have been accomplished including the development of a list of programs that “move the gauges” and prioritizing those identified programs that will be assessed in detail. The next step will be to validate the inventory list and to facilitate discussions with selected program owners to review details and investment opportunities.</p> <p>04/28/08 – A conceptual work plan being developed. Initial effort is focused on the Strategic Highway Corridor. Plan is to assess current performance of SHC, assess where we want to be at some point in the future, assess how we get there and finally, how much will it cost to get there.</p>		
	Strategic Prioritization Process	More fully develop the prioritization framework approach previously proposed by the TMT and pilot the proposed final effort. The final product would be a series of investment scenarios of projects, programs, services and initiatives that would be used to	Team Lead – Alpesh Patel Ehren Meister David Wasserman	

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		drive the Results Based Budgeting Process and future year's STIP.		
		<p>STATUS:</p> <p>01/08/09- Strategic Prioritization Process finalized and presented to stakeholder groups and Strategic Management Committee. Public Involvement Plan expected to be completed by 02/01/09. Due to budget constraints, prioritization tool will be developed in-house rather than by a vendor.</p> <p>11/18/08 – Continuing to refine and further develop the Strategic Prioritization process. Have held several discussions with internal staff and external stakeholders and have developed a proposed 2009 calendar. Preparing a Public Involvement Plan to coordinate outreach efforts in spring 2009. Preferred vendor for prioritization tool identified and final decision expected by Dec 1.</p> <p>8/6/08 – Conducting additional research on vendors that can provide prioritization tools. Based on availability and vendor qualifications the goal is for TMT and SPOT to view demos of tools and features in late August and early September. SPOT may consider an RFP to solicit for such services after these demos.</p> <p>Met with Productivity Services on July 28 to determine if DOT's survey system could assist with storage and querying of data from future business case templates. Conclusion was 1) survey system is better with closed-ended questions and 2) survey system is better for providing analytical summaries vs. storing large amounts of data. Next step is to run a beta test through the system to better understand how business case template responses would be managed.</p> <p>07/01/08 – Presentation given to TMT by Decision Lens regarding a technology that can be a customized, decision-making process that aligns agencies goals and missions with capital improvement projects. This could be one tool to help in the Department's prioritization process. Further analysis and discussions are needed before a decision is made on whether to use this technology. Further attempts to use NCDOT's survey system software to automate business case templates are being pursued (meeting with productivity services on July 28).</p> <p>5/30/08 – Started discussions with IT concerning the need to automate or web form the business case templates. Meeting with IT staff to identify resources, establish a timetable, and produce such a product will occur June 3.</p> <p>04/28/08 – A conceptual work plan has been developed. Templates for making business case support for projects, programs, services and initiatives (PPS&I) will need to be developed and provided to business units. Business units will need to be prepared to identify their needs and rank their priorities for PPS&I within their units in relation to the Department's overall mission, goals and values. SPOT office will then consolidate, evaluate and finalize priorities. SPOT will balance funding with priorities and recommend investment scenarios to top management. The final product will be used to assist in the Department's budget request and develop a future STIP.</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
Talent Management		<p>The Talent Management Team is working on talent focused work groups focused on attracting, retaining, and developing employees partnered with Human Resources, employees across the organization, and the Office of State Personnel.</p> <p>The Department will be adopting an Integrated Talent Management System (ITMS) that will focus on the design and implementation of integrated strategies and systems designed to increase productivity by developing improved processes for attracting, motivating, developing, and retaining employees with the required skills and abilities to meet current and future business needs.</p>	<p>Team Lead - Stephanie King</p> <p>Anthony Roper Teresa Pergerson Terry Hopkins Jeff Roerden Joey Hopkins</p>	.
		<p>STATUS:</p> <p>11/21/08 – <u>Due to revenue shortfall Talent Strategist position that was posted is “on hold” due to budgetary conditions.</u> Human Resources is reviewing all Talent Management Recommendations to implement based on current staff levels.</p> <p>Workstream recommendations have been given to Human Resources and the Governance Office for implementation and tracking purposes with the exception of all Career Tracks and Leadership Planning.</p> <p>A couple of the Career Mobility Team recommendations are being used for Human Capital Institute certification projects.</p> <p>8/7/08 DOT co-hosted a one day seminar with OSP to learn more about building Human Resource relationships within a talent management framework.</p> <p>Hosted Dr. Jim Johnson and Dr. Willow Jacobson for the BOT to provide information on demographic challenges and managing a multi-generational workforce. Planning another session for September.</p> <p>05/30/08 – Human Resources has developed a plan for organizational requirements to transition recommendations from workstreams. Plan to post Talent Strategy position in the next 30 days. Co-sponsoring a one-day seminar with OSP to discuss how to implement an effective talent management strategy.</p> <p>4/25/08 – Working with Human Resources and senior management to address headcount needs for Talent Management workstream recommendations. Hosted UNC – Healthcare this week to understand how they have proactively improved their ability to recruit and market employees the last two years. They hired a marketing firm to help develop print, air, and commercial ads to promote a leading, teaching, caring environment.</p> <ul style="list-style-type: none">• Team will be attending the OSP sponsored conference at SAS next week to address talent needs of the 21st Century HR.• The information for the nation wide survey is compiled and is now being converted to a PDF file for distribution.• The team is participating in the Question and Answer sessions with Sec. Tippet. There are many questions related to salaries.		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>3/25/08 - Four workstreams have transitioned recommendations to Human Resources for implementation based on Leadership approval (Employee Orientation, Recruitment, Talent Strategy / Workforce Planning, and Employer Value Proposition.) Other workstreams are currently meeting and making excellent progress.</p> <ul style="list-style-type: none"> Currently addressing headcount needs for Human Resources including a Talent Strategist position. Issued nationwide survey to DOT's to identify effective talent strategy initiatives. Received feedback from over 30 states and now compiling the information. UNC Healthcare will be sharing their strategies to proactively recruit and market themselves more effectively. TMT and HR are working with OSP to host a meeting with Corporate Leadership Council on implementing an effective talent management strategy (June timeframe). 		
	Career Mobility Plans	Determine optional career paths for DOT talent to gain cross-organizational knowledge.	Team Lead - Stephanie King Jon Nance Calvin Leggett Rodger Rochelle Wendi Johnson Arthur Petteway Barry Bridges Lynn Summers Peggy Olivers	
		<p>STATUS:</p> <p>11/25/08 – Recommendations have transitioned to Human Resources. Need to distribute Career Mobility Policy once supporting elements are in place. <u>Some of these are on-hold due to budgetary conditions.</u></p> <p>11/21/08 – The Strategic Management Committee has approved Team recommendations and action items have been updated to the master document and provided to Human Resources and the Governance Office. A couple of the recommendations are being used for HCI certification projects. Team work will be completed by the end of the calendar year based on further approval about program specifics.</p> <p>08/07/08- Team has assigned action items to various members including policy formation, deep dive on moving policy, TEA Program rotations (and more), addressing cultural barriers to mobility and strategies to communicate the benefit, and defining a metric to track this.... Hosted the Department of Revenue to hear more about their leadership development process.</p> <p>07/09/08 – Team will propose a Career Mobility Policy and address cultural and financial barriers that prohibit mobility in our workforce today. Obtaining career mobility information from other successful programs. Reviewing Transportation Engineering Associates Program and other programs that will promote cross organizational mobility.</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>5/30/08 – Team plans to define strategies (formal and informal) to build career development opportunities within the organizational business unit and throughout the organization. Facilitate the movement of employees to ensure knowledgeable organizational knowledge and readiness to meet 21st Century needs, strengthen leadership and management capabilities, and assist the sharing of business practices to solve governmental problems, facilitate effective means of involving external stakeholders, and enhance employee performance.</p> <p>4/25/08 – Kick off meet will be held May 9th.</p> <p>03/31/08 - Defining team members and initial approach for team kick-off.</p>		
	Employee Career Tracks	<p>Develop a system to define goals for building a role or career.</p> <p>Define technical, functional, and managerial career tracks.</p> <p>Develop assessment tools to enable the process (formal & informal)</p>	<p>Team Lead – Terry Hopkins</p> <p>Anthony Roper Helen Dickens Amanda Olive Gail Herring Janyce McIntyre (OSP)</p>	
		<p>STATUS:</p> <p>1/23/09 – Career Development Policy approved by SMC 10/20/08. Need to distribute Career Development Policy once supporting elements are in place. <u>Some of these are on-hold due to budgetary conditions.</u></p> <p>11/25/08 – Recommendations have transitioned to Human Resources.</p> <p>11/21/08 – Recommendations have been approved but need to update master recommendation document. Team work is complete.</p> <p>5/30/08 – Team presented a proposal for implementing Career Development Centers to fulfill the need to enhance our ability for employee development. Career coaches would be used to assist employees in making informed decisions about their career paths. Team continues to meet to define career track for the top 40 positions. Transitioned leadership role of the team to Terry Hopkins.</p> <p>4/26/08 – Team continues to meet each week and will make recommendations to the TMT for employee assessments May 5th.</p> <p>03/31/08 - Team made initial high level recommendations to the TMT and Leadership.</p>		
	Employee Engagement	<p>Define an effective tool to gauge employee satisfaction and engagement.</p>	<p>Team Lead - Victor Barbour</p> <p>Jeff Roerden Barry Bridges Doug Cox</p>	

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
	Survey	<p>STATUS:</p> <p>11/21/08 – Employee engagement survey is delayed until approved by senior leadership to move forward. Team work is complete.</p> <p>8/6/08 – Presented to Operations Staff. Finalizing list of points of contact for those units that need to distribute paper copies of the survey instrument.</p> <p>7/10/08 – Scheduled to begin work on logistics for survey implementation in August, 2008.</p> <p>5/30/08 – Team is working to conduct first survey in September, 2008.</p> <p>4/25/08 – Presented options to Secretary Tippet. Waiting for approval.</p> <p>03/31/08 – Survey instrument complete. Need to determine timing of the survey and other logistics.</p> <p>07/01/08- First survey to be conducted in September, 2008</p>		
	Employee Orientation	Establish a comprehensive framework for integrating new employees (and employees who are changing roles) into the NCDOT and their work unit.	<p>Team Lead - Jeff Roerden</p> <p>Robin Hicks Tamela Gilbert Dawn Godwin Sharron Overton Mathew Hilderbran Gail Sheets Sandy Tharington</p>	Complete
		<p>STATUS:</p> <p>11/25/08 – Recommendations have transitioned to Human Resources. Team work is complete. Robin Hicks in Human Resources held web-based training for supervisors in December 2008 and is planning for full implementation in January 2009.</p> <p>8/6/08 – Training for Division 4, Highway Design Branch, and Ferry Division is complete. Training for DMV is scheduled for August 12, 2008. Pilots will begin September 8, 2008.</p> <p>7/10/08 – Materials packet is complete. Materials folders have been designed and ordered. Training materials for pilots are complete. Orientation video and training video are being finalized. Training for pilots (Division 4, Ferry Division, DMV, and Highway Design) is scheduled for mid-July to mid-August. Pilots will begin on September 8, 2008.</p> <p>5/30/08 – Team is finalizing the packet for the pilot program. Video is complete and awaiting final approval. Plan to pilot in</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>June, 2008 at the Ferry Division, Div 4, and others.</p> <p>4/25/08 – Convened team to review the Safety portion of Employee Orientation and consider changes to content and timing. Materials package is being finalized. Mock up of materials folder is being developed by vendor.</p> <p>03/31/08 - Transitioned ownership of recommendations to Human Resources. Robin Hicks is coordinating.</p>		
	Employee Value Proposition (EVP)	<p>Review and define an Employee Value Proposition (EVP) for NCDOT.</p> <p>Identify attributes that the labor market and employees perceive as the value they gain through employment with our organization.</p> <p>Assess identified strengths and weaknesses (attributes) that make a potential employee commit to employment in NCDOT and improve what is missing.</p> <p>Coordinate with existing TMT Workstreams to develop and implement strategies that can build and sustain employee value proposition at NCDOT.</p> <p>Develop employer branding and market value propositions effectively to recruit and retain high quality talent necessary to fulfill its mission and goals.</p> <p>Develop a HR strategic plan to get salaries closer to market.</p>	<p>Team Lead - Stephanie King</p> <p>Tamela Gilbert Helen Dickens Sharon Howard (OSP)</p>	
		<p>STATUS:</p> <p>11/25/08 – Recommendations have transitioned to Human Resources. Team work is complete. <u>Talent Strategist Position is on hold due to budgetary conditions.</u></p> <p>8/7/08 – Awaiting Talent Strategist to be hired and reorganization to be announced to move forward with the team recommendations.</p> <p>5/30/08 – Met with UNC Healthcare to see how their marketing strategy aligns with their ability to recruit proactively. They utilize an employee branding model that emphasizes Learning, Caring, and Teaching. Excellent presentation from David Dolan.</p> <p>4/25/08 - Working with Human Resources and senior management to address headcount needs for Talent Management workstream recommendations.</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		03/31/08 - Transitioned ownership of recommendations to Human Resources. Headcount issue being addressed and discussing funding needs and resources issues to implement Competency Based Pay Programs.		
	Leadership Planning	<p>Develop a Leadership Planning model that identifies pivotal roles that drive achievement of mission and goals (to be refined over next 2-3 years).</p> <p>System should ensure pivotal roles are filled by individuals who meet requirements of those roles and that there is a well developed backup to fill pivotal positions as vacancies occur and define a process to identify high potential employees.</p>	Team Lead - Anthony Roper Michael Dail Garry Wiggins (OSP) Lynn Summers (OSP) Kathleen Murphy (OSP)	
		<p>STATUS:</p> <p>11/25/08 – Recommendations have transitioned to Human Resources. <u>Awaiting the hiring of Talent Strategist to move forward.</u> TMT work is complete. Recommendations have not been updated to the master document. Human Resources personnel are working on an assessment piece of this initiative for their Human Capital Institute certification.</p> <p>07/09/08 - Leadership Planning policy must be formulated. Awaiting the hiring of Talent Strategist position to move forward with that and implementation of program.</p> <p>5/30/08 – Presented final recommendations to the Leadership Team. Effort is ready for transition to Human Resources. Policy must be written and next steps identified for assessments.</p> <p>4/25/08 – Team will be making final recommendations for the Leadership Planning process to the TMT and Leadership next week. This will be ready to transition to Human Resources.</p> <p>03/31/08 - Meetings are on-going to further define the process.</p>		
	Female Mentorship	To continue the pilot Female Mentoring Program, which was confined to Raleigh, and modify it for statewide application. This is one of two pilots to be used as a format for the statewide mentoring program.	Team Lead - Priscilla Tyree Bonnie Tripp Simmons	
		<p>STATUS:</p> <p>12/15/08 – Closing Program held. Final Survey issued to participants and supervisors in November. Results presented in final report.</p> <p>11/25/08 – Team has been formed to implement a department wide mentorship effort. Please contact Human Resources</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>with any questions or comments.</p> <p>8/04/08 – Launched mid-term survey using Survey Monkey on 7/10/08 and closed on 7/18/08. Survey participation rate was 73%. Closing program has been set for December 16th. November Learning Session, which is the MBTI Assessment, has been confirmed with OSP. After meeting with the Work Group and receiving results from the survey, the draft report of the program was revised. Report to be sent to Work Group members week of 8/04/08 for review and comment.</p> <p>7/11/08 – Mid-term survey to be launched using Zoomerang to participants. Learning sessions: DOT Organizational Structure & Career Day and TMT Overview and Status Update completed. July's learning session is entitled Negotiation Strategies and Conflict Resolution and will be taught by Jeff Roerden.</p> <p>5/30/08 – Receiving excellent feedback from participants in all regions.</p> <p>04/25/08 - Kickoff celebration was held on 2/26. At present, 60 women are in the program. Three regions have been created for statewide implementation: Eastern, Raleigh, and Central/Western. Monthly meetings are scheduled from March to December. March and April learning session were held covering the following topics: Invisible Rules: Men, Women & Teams & Team Building and It's Your Career! Take Charge! The State Application, Merit-based Hiring, and Employee Profiles. The topic for May's Learning Session is the DOT organizational structure and careers.</p>		
	Transportation Engineering Associates (TEA) Program	TEA Program - Department Wide Effort/Department Wide Mentorship	Team Lead – Anthony Roper Helen Dickens Kathi Johnson Marie Livingstone (OSP)	
		<p>STATUS:</p> <p>11/25/08 – Program transitioned to Human Resources. Team has been formed to implement a department wide mentorship effort.</p> <p>11/21/08 – Program will fold into the department wide mentorship effort. Team is currently working on program specifics. TMT activities are complete.</p> <p>08/07/08 – Met with the Department wide mentorship team this month.</p> <p>07/09/08 – Drafted report for senior leadership of pilot program. Will participate in the department wide mentoring effort using information from TEA and Female Mentorship pilot programs.</p> <p>5/30/08 – Meeting is being scheduled to begin development of department wide program with those involved in the quick win mentorship efforts. Effort will be led by Ann White, HR.</p> <p>4/25/08 – Program is underway and receiving great feedback. Investigating options for the Department-wide mentorship</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>program under Human Resource ownership.</p> <p>3/31/08 - Statewide TEA Program Mentorship Program is underway successfully. Beginning the development of a department wide mentoring / coaching effort. Human Resources will take the lead in program development and implementation.</p>		
	Performance Management	<p>Develop and implement a new performance management system that will focus on performance results and employee development. This process will include:</p> <ul style="list-style-type: none"> • Incorporating the use of performance metrics that measures performance results, that is objective (versus subjective) • Developing agency values • Including leadership competencies • Designing new performance management forms • Developing new performance management policy to include guidelines for dealing with under-performance • Training top leadership for go-live April 1, 2008 • Developing training for new performance management systems, beginning with top leadership <p>Explore the use of an alternate performance management process that could be used for positions that perform repetitive type duties.</p>	<p>Team Lead - Teresa Pergerson</p> <p>Victor Barbour Patricia Broadhurst Ehren Meister Ron Allen Ken Pace Charlie Watson Terry Hopkins Bev Saylor Lynn Summers (OSP)</p>	April 2009
		<p>STATUS:</p> <p>12/15/08 - Transition PDA's implemented for all NCDOT employees October 1, 2008. Team members continue to work with employees to develop metrics and complete PDA forms.</p> <p>11/25/08 – All leadership positions are utilizing the new system with all other employees participating in a pilot. All employees will utilize the new system April 1, 2009. Program transitioned to Human Resources.</p> <p>7/9/08 - New Performance Management Policy and Performance Pay Dispute Resolution Procedures approved by the State Personnel Commission on 6/19/08. Policies are effective 7/1/08. Policies distributed to NCDOT management (top 42) via email on 7/7/08. Performance Dashboard & Appraisal (PDA) forms have been placed in the NCDOT Electronic Forms database. Working with the Metrics Team to develop a metrics library. Results-based Performance Management Training is</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>being conducted by Training & Development with over 700 managers & supervisors trained to date.</p> <p>5/30/08 – Competencies for managers and individual contributors were approved and will be incorporated in the training effort underway now. Training and Development is conducting classes to begin pilot in October, 2008. Metric Team will be working with organization to conduct focus groups to define common metrics throughout the organization. They plan to build a metric library for easy reference.</p> <p>03/31/08 - All top 15 leadership positions have been trained in Results-Based Performance Management. Leadership positions – go-live with new PDA April, 2008. Recommendations regarding process for all other positions to TMT on 4/28/08. Preparing for pilot program for October 2008. Training of managers and supervisors on new system will begin May 20, 2008. All employees will convert to the new system April, 2009.</p>		
	Quick Wins	Implement process changes based on diagnostic, interviews, and focus groups to give signal value that changes are being made to make DOT an even better place to work.	Team Lead - Stephanie King Angela Faulk	Complete
		<p>STATUS:</p> <p>Fall 2007 – Changes to policy issued by memos.</p>		
	Recruitment Proposal	Identify innovative and effective strategies and tools for recruiting high performing employees and future leaders.	Team Lead - Jeff Roerden Daniel Keel Amanda Olive Tamela Gilbert Mathew Hilderbran James Merrick Kassia Elliot (OSP)	
		<p>STATUS:</p> <p>11/6/08 – Recruitment video complete.</p> <p>8/7/08 – <u>Awaiting Talent Strategist to move forward with action items along with organization of duties within HR.</u></p> <p>7/10/08 – Recruitment video is being finalized.</p> <p>4/25/08 – Working on headcount needs to address recommendations.</p> <p>03/31/08 - Transitioned ownership of recommendations to Human Resources.</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
	Training	Address training needs based on mission, goals, and strategy. Deploy training resources based on organizational needs and define the most effective training formats for development segments.	Team Lead - Joey Hopkins Anthony Roper Angela Faulk Bev Saylor Jan Bryant Aurea Hernandez Ann Cobb (OSP)	
		STATUS: 11/25/08 – Recommendations have transitioned to Human Resources. 11/19/08 – Recommendations include: develop and implement Training & Development Policy (approved by SMC, but not communicated yet); Continue Pilot and Implement Department-wide Individual Training Plans (Pilot underway with DMV, Ferry Division, Division 4, and Governance Office); Assess Training & Development Needs (Strategic Training Plan) Short term – survey tool has been developed to determine gaps in leadership development (no approval given to survey Top 150 from SMC); Continue to Prepare Training profile data for incorporation into LMS (complete). Establish Training Administrator Function (job description approved but position on hold due to budget) – Next 3 items to be completed by Training Administrator - Explore Enterprise Wide License opportunities (Covey, Six Sigma, DDI, etc.); Identify assessment tools to determine development/training gaps; Develop/identify tools to determine training effectiveness 7/09/08 – Recommendations approved by TMT & LT. Draft Job Description for Training Administrator sent to HR; draft training policy completed; coordination with Orientation workstream to include Employee Training & Development plan in orientation pilot. 5/30/08 – Training team will be presenting recommendations to the TMT and Leadership Team. 4/25/08 – Team meets weekly and is making good progress. Group visited SAS to understand their approach to training. Currently trying to arrange a site visit with a local SAP customer. 03/31/08 - Meetings are on-going. Management has approved recommendations.		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
	Hiring Practices	<p>Review current hiring practices to determine inefficiencies and areas of improvement. A comprehensive review of the following will be done to develop recommendations for enhancing these processes:</p> <ul style="list-style-type: none"> • Application process • Alternatives to current posting process • More explicit job postings • Qualifications review process • Hiring process – forms required, approvals required, etc. • Salary policies (OSP guidelines, internal rules, career banding guidelines, salaries for promotions, in-ranges, etc.) • Position reallocations • Interview process 	<p>Team Lead - Teresa Pergerson</p> <p>Angie Fanelli Alicia Simmons Allen Pope Jimmy Edwards Kim Pierce Kassia Elliot (OSP)</p>	
		<p>STATUS:</p> <p>11/25/08 – Team work is complete. Recommendations have transitioned to Human Resources.</p> <p>7/9/08 - Continuing work on implementing recommendations which includes formalizing the qualification process; developing job posting models, developing training on writing more effective, more attractive job postings; developing on-line training for merit based hiring procedures; and developing a plan for delegating HR approval authority to 14 divisions, DMV and Ferry Division for entry level and some other lower level positions.</p> <p>5/30/08 – Three memos have been sent to management implementing process changes to reduce turn-around time for new hires & promotions from posting to approval including revisions to the posting policy, identifying personnel approval levels to streamline the approval process, and eliminating PO 600's and multiple justification.</p> <p>4/22/08 - Recommendations presented to Leadership Team. Approval received on most recommendations and additional guidance received on remaining recommendations. Work group is meeting first week of May to discuss and to plan for implementation of approved recommendations.</p>		
	Talent Management Strategy	<p>Develop and implement a strategic workforce planning process to proactively align the agency's human capital with its business direction. This process will involve:</p> <ul style="list-style-type: none"> • Gaining a thorough understanding of the current workforce, • Envisioning the operating environment that will most likely 	<p>Team Lead - Stephanie King</p> <p>Angie Fanelli Helen Dickens Gerry Fisher (OSP) Sharon Howard (OSP)</p>	

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>exist in the future,</p> <ul style="list-style-type: none"> Identifying the staffing levels and skill sets or competencies needed in the future, Eliminating gaps and surpluses by proactive action planning, and Developing and implementing solution strategies that can build and sustain the workforce needed for the future. 		
		<p>STATUS:</p> <p>1/27/09: OSP believes this may occur in Spring or Summer of 2009.</p> <p>1/9/09: Asked Office of State Personnel to begin Workforce Planning software implementation for NCDOT.</p> <p>11/25/08 - Team work is complete.</p> <p>07/09/08 –OSP will work with DOT this summer on implementing the Workforce Planning software. First meeting is being scheduled.</p> <p>5/30/08 – DOT will begin defining agency requirements to implement NC Works this summer with Office of State Personnel (OSP). This tool will allow DOT to do strategic workforce planning.</p> <p>4/23/08 - Working with Human Resources and senior management to address headcount needs for Talent Management workstream recommendations.</p> <p>03/31/08 - Transitioned ownership of recommendations to Human Resources. Addressing headcount requirements.</p>		
	Human Resources Website	<p>Multi-phase approach to redesign the Human Resource website. The website will become a talent focused site that will be a proactive recruitment tool. Intranet site will be developed to include information that is needed by our employees and managers.</p>	<p>Team Lead - Stephanie King</p> <p>Angie Fanelli Penny Young James Merricks Ryan Nolan Mary Joe Cashion</p>	

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>STATUS:</p> <p>11/21/08 – Website was launched. Team work is complete. Portal development is required. Recommendations transitioned to Human Resources.</p> <p>8/7/08 – Go-live for the new talent focused website is September 2nd. Still obtaining feedback from managers and need names for testimonials.</p> <p>7/25/08 – Careers Website is live. Intranet development underway.</p> <p>07/09/08 – New talent focused website was shown to TMT Monday. Team will move forward with changes and seek Leadership approval this week. Team will focus on intranet information now that we have received some feedback from the Executive Committee and others on specific needs to be addressed.</p> <p>5/30/08 – Positive progress including the use of video. Continue to work on content.</p> <p>4/23/08 – Efforts continue for the design of the external facing website. Team has made decisions related to the required content for the initial page and beginning to define information for each link. Testimonials are being requested “In the Loop”. These will be highlighted on the site as well as smiling faces.</p> <p>Intranet site will be designed to include a managers and employee corner to highlight specific topics of interest.</p> <p>03/31/08 - Meetings are on-going.</p>		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
TIP Program	Pilot Management Models	Implement Pilot Management Models. Develop and implement a pilot program to test several delivery mechanisms of TIP projects, which will improve project delivery resulting in increased productivity, efficiencies and overall lower costs.	Mike Holder Virginia Mabry	
		<p>STATUS:</p> <p>1/16/09 – Surveyed TIP Management model participants. Will analyze feedback to determine management models to make Standard Operating Procedures and associated criteria for selecting correct model to use. Current TIP is a two-part Delivery and Development TIP and will be communicated that way to the public.</p> <p>5/30/08 – First Quarter Review meetings have been set up for June 11 and 12 2008 to determine the effectiveness of each model to date. Asking what is working? What isn't? What can we do better?</p> <p>02/27/08 - Fifteen pilot projects have been identified and assigned a management model and work is underway to advance these projects. Tri-technical managers (PD&EA, Roadway Design, and Division Construction Engineers) have been assigned to select projects. Consideration is being given to: using Division resources to deliver environmental documents for minor projects, conduct regionalization similar to the Bridge Program, perform mandatory value engineering and constructability reviews for major strategic projects and later for all major projects and consider hiring a professional facilitator for Merger Team meetings. Quarterly “regional project information exchanges” which include Division staff have begun and a T.I.P committee has been formed to create a two-part TIP for Delivery and Development.</p> <ul style="list-style-type: none"> • Define each model by Dec. 3, 2007 - Completed • Define roles for Project Executive, Tri-Technical Managers by Dec. 3, 2007 - Completed • Define measurements for each model by Dec. 3, 2007 – Completed • Obtain Approval of final project list to be utilized for the various modelsby December 14, 2007 – Completed Implementation Team Members: Debbie Barbour and Mike Holder TMT member assigned: Mike Holder, Virginia Mabry • Obtain approval of R/W and Let dates for each pilot by December 14, 2007 – Completed Team Lead: Debbie Barbour Implementation Team Members: Art McMillan, Greg Thorpe, Calvin Leggett TMT member assigned: Mike Holder, Virginia Mabry • Project Executives, Tri Project Mgrs Implementation Team Members: Al Avant TMT member assigned: Virginia Mabry 		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<ul style="list-style-type: none"> Formalize each Team by Jan. 7, 2008 – Completed Team Lead: Debbie Barbour Implementation Team Members: Art McMillan, Greg Thorpe, Jon Nance TMT member assigned: Mike Holder, Virginia Mabry Schedule a kickoff meeting with appropriate staff to inform staff assigned to a model of their roles and responsibilities by January 15, 2008. – Completed (Held kickoff meeting 02/14/08) Oversight: Debbie Barbour Implementation Team Members: Art McMillan and Greg Thorpe TMT member assigned: Mike Holder, Virginia Mabry Track Project Schedules. – On going – Several meetings have been held. Oversight: Debbie Barbour Team Lead: Art McMillan 		
	Value Engineering/ Construct ability Reviews for Major Projects	Require Practice of Value Engineering/ Construct ability Reviews for Major Strategic Projects and Ultimately All Major Projects at Appropriate Project Development Stages. Identify development stages, current processes that need revision and implement by 02/15/08.	Oversight - Debbie Barbour/ Jon Nance Implementation Team Members: Ron Hancock Jay Bennett Rodger Rochelle Jimmy Travis TMT Members – Mike Holder/Virginia Mabry	
		STATUS: 1/16/09 - The Quality Enhancement Unit was created as a part of Realignment and has been tasked with this function.		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
	Tri-Technical Managers	Implement Tri-Technical Managers As Standard Operating Practice on all Projects.	Team Leads - Debbie Barbour and Jon Nance Mike Holder Ellis Powell Implementation Team: Jay Bennett Greg Thorpe and a couple of Division Engineers	
		STATUS: 1/16/09 - Will meet with Debbie Barbour to establish as the SOP after the pilot survey feedback has been analyzed. 5/30/08 – included in part of quarterly review to determine how it is working. Met with all Tri-Technical Managers March 17, 2008. Establish the Pilot Projects first, evaluate how the Tri-technical pilot is going then implement as the SOP in Summer of 08. Informed all PD&EA, Roadway Design and Division Construction Engineers of the new standard procedures.		
	Professional Facilitator for Merger Team Meetings	Investigate Hiring a Professional Facilitator To Conduct Merger Team Meetings. Look at upcoming projects to determine which ones might benefit from this effort	Team Leads - Debbie Barbour TMT Member: Mike Holder Implementation Team: Elizabeth Lusk Greg Thorpe	
		STATUS: <ul style="list-style-type: none"> 1/16/09 - Two state funded projects were selected for utilization of a facilitator. Donna Dancausse of FHWA served as the facilitator. <u>On-call contract to provide facilitator when necessary has been deferred due to budgetary conditions.</u> Debbie Barbour mentioned in January 09 ILT meeting that a candidate projects list would be discussed at 04/15/09 ILT meeting. Agenda item added to next Interagency Leadership Team (ILT) Meeting for discussion and recommended Project candidates by April 15, 2008 Recommendation of what types of projects would benefit the most from this by 03/15/08. Currently reviewing merger meetings in the upcoming year to discuss which projects may benefit from the use of a professional facilitator. Oversight: Debbie Barbour Implementation Team Members: Greg Thorpe, Elizabeth Lusk		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		<p>TMT Member: Mike Holder</p> <ul style="list-style-type: none"> Develop an on-call contract to provide facilitator when necessary by 05/15/08. In place and operational by June 1, 2008 <p>Oversight: Debbie Barbour, TMT Member: Mike Holder Implementation Leader: Michael Penny</p>		
	Scope, Schedule and Budget for Proof of Concept Projects	Establish Scope, Schedule and Budget for Each Proof of Concept Project Assigned to Staff -They will complete the following activities: <ul style="list-style-type: none"> Prepare, determine or revise the scope of project. Ensure the project includes all necessary work, and only the needed work. Prepare a project schedule, which includes review and input from each responsible work unit. Ask each individual work unit to prepare plans and estimated costs for each task on the schedule. Prepare a preliminary engineering budget. 	Team Leads – Art McMillan Oversight – Debbie Barbour Implementation Team: Project Executive Tri-Project Managers TMT member assigned: Virginia Mabry	Complete
		STATUS – Completed - March 5, 2008		
	Regional Project Information Exchanges	Implement Regional Project Information Exchanges on a Quarterly Basis	Oversight – Debbie Barbour/Jon Nance Implementation Leader : Greg Thorpe TMT Member: Mike Holder	Complete
		STATUS: <ul style="list-style-type: none"> 1/16/09 - Implemented. Document review meetings held in Raleigh will serve as regional project information exchanges between Preconstruction and Divisions. Regional meetings dates for the upcoming year have been established and have been distributed to Division Engineers. Invite Division staff to Western Region December meeting – Completed Review or modify current scheduling meeting to determine the modifications needed for inclusion of Division staff by January 1, 2008 		

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
		Document review meetings held in Raleigh will serve as regional project information exchange between Preconstruction and Divisions. Regional meetings for the upcoming year have been established and distributed to Division Engineers. – Completed		
	Informal Two Tier TIP	Create an Informal Two Tier TIP with One Part Development and One Part Delivery	Oversight – Debbie Barbour/Jon Nance Implementation Team : Calvin Leggett, Al Avant, Barry Moose TMT Member: Mike Holder	Complete
		<p>STATUS:</p> <ul style="list-style-type: none"> 1/16/09 - Completed current TIP reflects Delivery and Development and will be communicated that way to the public. Form a T.I.P. Committee to recommend a format for the Next TIP process to prevent delay by Jan. 2008. One meeting has been held. Discussions ongoing between stakeholders Oversight: Debbie Barbour and Jon Nance Implementation Team Members: Calvin Leggett, Al Avant and Barry Moose TMT member assigned: Mike Holder T.I.P Committee present findings to Directors by March 2008 Oversight: Debbie Barbour and Jon Nance Implementation Team Members: Calvin Leggett, Al Avant and Barry Moose TMT member assigned: Mike Holder Recommended T.I.P format by May 2008 Oversight: Debbie Barbour and Jon Nance Implementation Team Members: Calvin Leggett, Al Avant and Barry Moose TMT member assigned: Mike Holder Implement new T.I.P format by beginning of next T.I.P. cycle. TMT Leadership 		
	Divisions / Pre-Construction Partnering for Small Projects	Divisions Can Partner with Pre-Construction on Development of TIP Projects that Require PCE or CE. Implement one per Division initially. Involves utilizing resources to deliver a PCE or CE or the entire project. Small Project Only	Oversight – Debbie Barbour/Jon Nance Implementation Team : Rob Hanson, Ray McIntyre, Jerry Parker, Mike Holder	

Workstream	Sub Task	Purpose	Team Members	Anticipated Completion Date
	with PCE or CE		TMT Member: Mike Holder/Virginia Mabry	
		STATUS: <ul style="list-style-type: none"> 1/16/09 - Implement bridge projects first with CE and PCE and further expand to roadway after success with bridge projects. <u>This recommendation is not currently as pressing due to reduced number of projects due to budgetary conditions.</u> Phased implementation varying among Divisions. Implementation model to be published April 08 Implement process by March 1, 2008 		
Transportation Planning/ Programming		As the State of North Carolina continues to grow, planning efforts need to be increasingly multi-modal. This effort is to examine the current functions of transportation planning at NCDOT and determine if we are aligned with a multi-modal objective. It is felt that due to the growing demand on our transportation system, associated air quality impacts, and the ever escalating construction related cost; the Department will need to improve our methods and approaches to transportation planning to meet the State's transportation needs in the most cost effective manner	Team Lead- Victor Barbour Shannon Lassiter Ricky Greene Dan Thomas Scott Walston Shirley Williams Missy Dickens	
		STATUS: <p>12/30/08 - Susan Coward included this information in transition document for new administration.</p> <p>10/20/08 – Made recommendation to Strategic Management Committee to establish a Cabinet Level Position focused on integrated statewide land-use and transportation planning.</p> <p>07/01/08- Presented recommendations to TMT and Leadership Team. Working on beginning implementation of some of the recommendations.</p> <p>04/28/08 - Met 3 times, Developing survey to send to stakeholders (should send out week of 4/48. Developing list of folks to do interviews.</p>		

Glossary of Terms

Action Plan: An annual plan for a Business Unit that is a product of the Annual Planning Cycle and identifies some key items the Business Unit is to focus on or achieve in the coming year. These items are developed specifically to help the Business Unit positively affect Dashboard results. They should flow directly from the Business Unit Objectives, which flow directly from the NCDOT Vision, Mission, Goals, and Objectives. The connection between the NCDOT Mission, Goals, and Objectives and the Business Unit Objectives, and the Action Plan items should be clear. The Action Plan is developed by the Business Unit for the Business Unit and monitored by the Business Unit.

Aspirations: Overall direction and/or high-level goals that North Carolina and Departmental Leaders support.

Business Case Template: Tool used to compare and evaluate dissimilar projects, programs, services, and initiatives against each other using common terms. Each template includes information regarding how the activity advances the Department's goals, cost, the purpose of the activity, etc.

Business Unit (BU): The term Business Unit is a generic term for a work group. It may be an actual unit, Branch, Division, or a few of any of the above clustered together, depending on the context. A Business Unit is a group within NCDOT that represents, for the most part, a singular, unified function. Often, a Business Unit will operate under a single budget. A Business Unit should produce the same basic type of product/deliverable/service. There is flexibility in defining a Business Unit, and its definition generally depends on context of the term's use.

Business Unit Strategic Plan: Document which provides an assessment of a Business Unit's performance, identifies any current and anticipated challenges by performing gap and SWOT analyses, and proposes solutions to address these needs over next five to ten years. A Business Unit Strategic Plan defines how the Business Unit will contribute to the Department's strategy and, in turn, contribute to meeting Department goals and objectives. Business Unit Strategic Plans are updated every two years as part of the Prioritization Process and are used in the development of Action Plans.

Corrective Action Plan (CAP): A tool used to document unsatisfactory job performance and document short-term measures to raise the level of performance.

Dashboard (also known as Executive Dashboard and NCDOT Organizational Performance Dashboard): Web-based tool that shows how the Department is doing with regard to certain goals. It has several different displays or gauges that are easy to read at a glance and can be clicked on to see increasing levels of detail of the data that support the dashboard information (“drilling down”). It is accessible to the general public.

Diagnostic: The output of an initial phase of an organizational development effort that includes

- examining problems faced by an organization in some detail,
- identifying factors and forces that are causing problems and
- gathering information needed to decide how to orientate possible solutions to the problems identified.

Fact-base: Collection of data used to develop aspirations, initiatives, and objectives to set goals (e.g. SWOT analysis, performance results, etc.).

Gap: The difference between the Department’s actual performance against its desired performance.

Gap Analysis: Process that enables the Department to compare its actual performance against its desired performance, by identifying the gap (if any) in between. The analysis provides an assessment of performance, strengths, weaknesses, opportunities, and threats. The analysis also includes an evaluation of any strategy changes needed to bridge the gap between the actual and desired performance.

Goals: High-level results NCDOT intends to achieve to meet its mission. NCDOT Goals are a product of the Strategic Direction process (which occurs every four or eight years). Goals should directly influence work efforts, plans, prioritization, and fund allocation that goes on at all levels of the Department.

Individual Development Plan (IDP): A positive tool used to provide opportunity for an employee to develop skills; better utilize strengths; prepare to take on greater responsibilities; or prepare for future roles. This plan is not used to correct unsatisfactory performance (see Corrective Action Plan).

Initiative: An effort to address a particular issue or challenge, which eventually ends, or becomes a formally recognized program or service. An example of an initiative might be the implementation of a large, customized, web-based tool to help speed project delivery.

Leadership Competencies: Behavioral indicators. The skills and abilities a leader is expected to have to effectively perform in the leadership role. These are for employee development and leadership planning and do not affect PDA ratings.

Measure: The yardstick used to determine results achieved.

Metric: Measurable category of performance (such as crash rates, employee satisfaction survey results, or percentage of projects delivered on time) on which a specific Business Unit will be measured. A metric consists of 2 components, a measure (how the outcome will be measured) and a target, which is the goal or level of achievement expected (see *Target*). A Business Unit metric may or may not be an area where the Business Unit has complete control, but it is an area that should be positively influenced by good performance by the Business Unit. Similar metrics across different Business Units encourage teamwork and creative, collaborative, cross-discipline problem-solving too positively affect metrics.

Mission: A clear statement that reflects our purpose. Fundamental high-level task that encompasses the organization's core broad purpose and reason for existence. The mission should directly influence work efforts, plans, prioritization, and fund allocation within the Department.

Need: A challenge, obstacle, or void which impedes the Department from achieving its goals, objectives, and/or targets.

Objectives: The focused set of specific ideas that support the mission and goals.

Pareto Principle (also known as 80/20 Rule): Suggests that work, if done efficiently, can achieve 80% of the benefit with 20% of the effort and resources.

Performance Dashboard & Appraisal (PDA): The performance management document NCDOT will use for recording and evaluating employee expectations and results. Replaces NCDOT's Performance Management forms.

Performance Metric: A results expectation which consists of a measure, target, and weight.

Performance Targets: Level of achievement desired in a given metric expressed as a range. If the metric is the "what", the performance target is the "how much." At the executive dashboard level, performance targets are established by strategic management committee. Subsequently, Business Unit managers would set the targets for their units and the individual supervisor would set the target for an individual's performance dashboard. Success can be defined as meeting performance targets. How well or how consistently a Business Unit meets the targets or how far or how consistently a Business Unit falls short of the targets can serve as an alert that something –the target, the metric, and/or the performance should be reviewed.

Program: A collection of projects or services, with dedicated resources, which deliver a common goal. An example is the Spot Safety Program, which is a collection of lower-cost projects with a dedicated funding source, intended to improve safety.

Project: A specific task or activity, usually with a defined scope, cost, and outcome or tangible product. An example is a construction project to resurface part of an interstate facility.

Responsible Business Units: Business Units charged with leading the identification of needs and the prioritization of solutions on transportation system infrastructure components, in collaboration with other Business Units and/or stakeholders

Restricted Investment Scenario: Funding option for solutions that allocates NCDOT budget in accordance with federal and state laws and funding restrictions.

Results-based performance management system: A performance management system where emphasis is placed on defining the results employees are expected to produce or outcomes they are responsible for influencing. A results-focused approach is designed to support a performance culture in which clear expectations are established, and employees are held accountable for achieving expected results.

Service: A function, procedure, or process that is performed to address a particular need, and can also be a collection of projects. An example is the DMV Driver's License Service to provide licenses to eligible motorists.

Solution: A project, program, service, or initiative which addresses one or more needs.

Stakeholder: Person or group that has an interest in NCDOT's programs, projects, services, and initiatives, and how they are funded and delivered. A stakeholder can be person or group who controls the resources or holds us accountable. A stakeholder can be internal (staff) or external (from another agency (e.g., MPO, FHWA) or a member of the general public).

Strategic Direction: Name of the strategic planning cycle which occurs at the change of administration (every four or eight years). In Strategic Direction process, the Department takes a fresh look at its vision, mission, values, goals, objectives, and targets based on the internal and external environment and capabilities. This thorough review is driven from the top down and has a long-term outlook of 30 years.

Strategic Management Committee (SMC): NCDOT committee that provides high-level leadership and decision-making during the strategic planning process and other issues related to governance of the Department (such as information technology). The committee is composed of the Chief Operating Officer, Deputy Secretary for Intergovernmental Affairs and Budget Coordination, Chief Financial Officer, Deputy Secretary for Administration and Business Development, Human Resources Director, Director of Technical Services, Chief Information Officer, Deputy Secretary for Transit, State Highway Administrator, Communications Director, and Commissioner of Motor Vehicles.

Strategic Plan: Document which describes where the organization is, where it is going, and how it is going to get there. NCDOT's strategic plan outlines the direction necessary to achieve a certain level of performance over the next 30 years, given the current and future environment. The plan includes the Department's vision, mission, values, goals, objectives, targets, and strategies. The Strategic Plan is included as the "SP" portion of the Strategic Plan and Needs (SPAN) report, which is updated every two years as part of the Prioritization Process.

Strategic Plan and Needs (SPAN) report: Output of the Strategic Prioritization Process, which includes the Department's Strategic Plan (see definition above) and the Department's needs and corresponding solutions.. The needs and solutions component includes what we need to do (unrestricted priorities), what we can do (restricted priorities), and references to what we plan to do (budget request and State Transportation Improvement Program).

Strategic Planning Office for Transportation (SPOT): Office responsible for managing the strategic planning and prioritization process for NCDOT. This includes collecting, maintaining, updating and benchmarking external environment data and best practices; developing strategic direction, policy, and plan and recommending level of Investment to meet goals; developing prioritization processes, and marketing and stakeholder involvement. SPOT is to be progressive in thinking, cross Departmental in focus, and long-range in horizon.

Strategic Planning Process: Process for setting long-term strategic direction and priorities for the department, reviewing and adjusting them (if needed), and ensuring that work at all levels of the department is being done to deliver the Department wide strategic direction and priorities.

Strategic Priorities: Portfolio of projects, programs, services, and initiatives that NCDOT plans to deliver as they best contribute to the delivery of the agency's mission and goals.

Strategies: Plan of action that describes how we will meet the objectives.

Strategy Review: One of the main tasks of the Strategic Prioritization process, which occurs every two years. Strategy review is a hard look at the strategy (mission, goals, and objectives) as determined by the last eight-year cycle to determine if they need to be adjusted based on recent developments and changed conditions.

SWOT Analysis: Scan of the organization's Strengths (internal), Weaknesses (internal), Opportunities (external), and Threats (external); used in the Gap Analysis to answer the question "Where are we now?"

Targets: The specific measurements that we strive for.

Unrestricted Investment Scenario: Potential funding option developed and evaluated during the prioritization process which achieves a desired level of service without taking into account federal or state laws that restrict how money can be spent. Investment scenarios present a set of benefits and associated trade-offs that would be realized by a given level of investment.

Values: Behavioral expectations of the organization. The values adopted by NCDOT represent what the organization stands for and what it believes in. A value should be connected to organizational achievement and impact accomplishments; guide behavior and decision-making; inspire members of the organization; serve as a cornerstone for culture-building; and serve as a benchmark for judging organizational actions and individual conduct.

Vision: Description of the state and function of the organization; an ideal state that the Department wishes to achieve; a statement of future desire or direction.

Weights: The relative importance of each metric relative to the others, expressed as a percentage.

Workstream: A set of associated activities, focused around a particular scope that follow a path from initiation to completion. In the NCDOT Transformation the term "workstream" was initially used to refer to the specific areas that were examined in great detail in the Strategic Blueprinting and Talent Management areas but over time was used to refer to the main areas of Transformation themselves (Strategic Blueprinting, Strategic Planning and Prioritization, Performance Metrics & Management, and Talent Management) or any detailed sub-activity in these areas. These workstreams were sometimes also referred to as "Deep Dives".

Note: Most of this glossary was copied from the NCDOT Strategic Planning and Prioritization Guidelines document. Some of the more basic definitions were based on definitions found on <http://en.wikipedia.org>.



NCDOT Transformation Management Team

Secretary
Lyndo Tippett

**Chief Deputy Secretary Dan DeVane
& Board of Transportation**

*** Leadership Team**

Steve Varnedoe Susan Coward
Mark Foster Bill Rosser
Roberto Canales

***** Executive Committee**

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Barry Moose	Calvin Leggett	Miriam Perry
Debbie Barbour	Lacy Love	Jon Nance
Kevin Lacy	Wayne Hurder	Art McMillan
John Sullivan	Mike Bruff	Greg Thorpe
Julie Hunkins	Jay Bennett	Bob Andrews
Mark Paxton	Pat Simmons	Jack Cahoon
Bill Williams	Bill Gore	Tom Norman
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John Robinson	Hope McLamb	

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**** TMT Performance Monitoring**
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Strategic Planning/Prioritization
Joey Hopkins
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Strategic Planning Office
Don Voelker

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Victor Barbour Ron Allen
Ken Pace Ehren Meister

Talent Management
Stephanie King
Teresa Pergerson
Anthony Roper

* Leadership Team: Meets Weekly to Support, Review, Offer Comments and Guidance (5)

** TMT Project Office: Manages Day to Day Activities of the TMT (19)

*** Executive Committee: Meets at Milestones to Review Ideas and Offer Feedback (29)

☐ Denotes Full Time TMT

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Angie Fanelli

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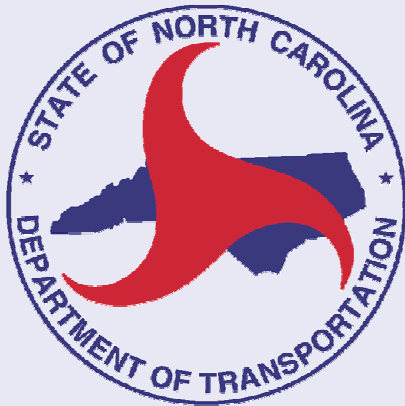
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FHWA = Federal Highway Administration
NCCU = North Carolina Central University
NCLM = North Carolina League of Municipalities
OSP = Office of State Personnel

NCDOT Transformation Update for Joint Legislative Transportation Oversight Committee



Presented by
Mark Foster, CFO
Roberto Canales, PE

October 23, 2007

Solving NC Transportation Problems

- Not Simple Matter of Revenue
- Requires a 3 Step Approach
 - 1) Improve NCDOT Organization & Process to become more efficient and impact focused
 - 2) Establish Statewide Prioritization Process
 - 3) Determine Incremental Resources/Revenues to achieve desired outcomes
 - Dependent on 1 and 2

Why is NCDOT's Transformation Different?

- In-Depth
- Collaborative
- Addresses Root Causes
- Addresses all NCDOT Services
- Speed of Improvements

Case for Change - Perfect Storm

- Multiple External Factors

- State Growth
- Demand on the System
- Inflation Increasing Costs
- Revenues flat/declining

- Compounding Factors

- Aging Infrastructure
- Lack of Interconnectivity

- Current NCDOT Model Not Working

- “All Things to All People”

- Mandate to Change

Transformation Beginnings

Long Range Statewide Multimodal Transportation Plan

- 2004 Board of Transportation Adoption
- Tiered Networks (Statewide, Regional and Sub-regional)
 - HIGHEST PRIORITY (Strategic Highway Corridors)
 - 7% of Roads carrying 45% of traffic
- Balanced Investments (Maintenance & Preservation/
Modernization/Expansion)
- Imbalance of State Needs and Resources

Transformation Beginnings

Silo Initiatives

- Asset Management
- Alternative Delivery and Procurement
- Managed Maintenance
- Network Condition and Maintenance Standards
- DMV Customer Queuing
- Cash Management

Transformation Beginnings

21st Century NCDOT Vision

- Focus on Network Connectivity & Function, not just Projects
- Enhance Systems Operations, to leverage existing infrastructure
- Establish Network Performance Standards
- Greater Internal Efficiency, Ownership and Accountability
- Prioritized, Outcome-Based Budgets
- Link Infrastructure Delivery and Statewide Commerce Goals
- Culture Shift, become true Service Provider

Where are we Today?

Strain of external trends

Growing Demand on System

- *Doubling of VMT by 2030*
- *NC population projected to grow by 50% between 2000 and 2030, "7th most populous state by 2030"*

Increasing Cost of Supplies

- *80% construction supplies inflation since 2002*
- *Spike in global asphalt, cement, and steel prices expected to continue*

Declining Funding

- *State gas tax purchasing power has declined (inflation and mpg)*
- *Federal Highway Trust Fund program projected to run out of funding by 2009*
- *Transportation funding flat/declining for FY2008/09**

* Gas tax cap and increased other agency support
Source: ASCE Report Card; NCDOT internal data

ASCE Report Card

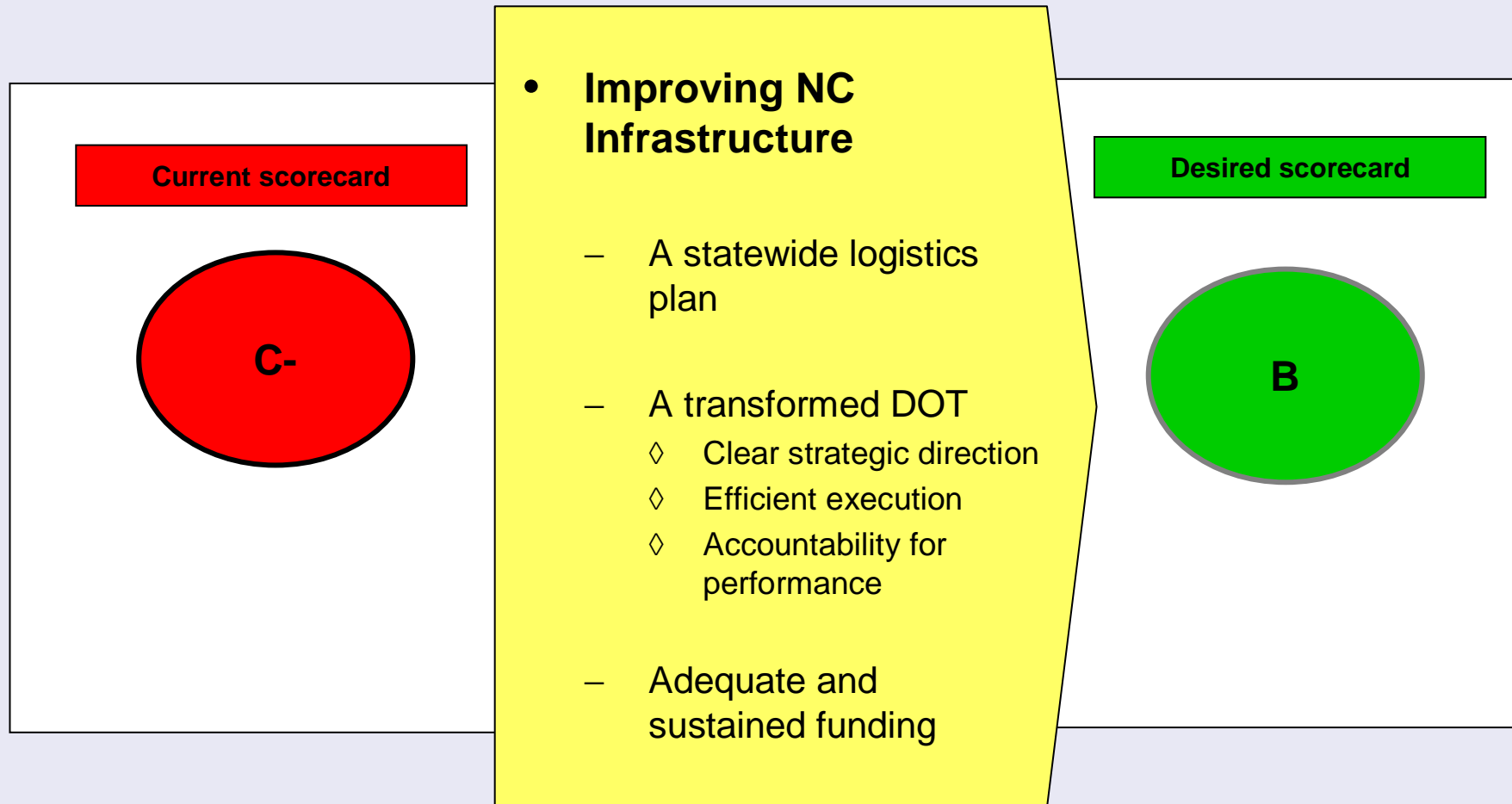
NC current state:
Bridges C-, Roads D

Airports	D+
Bridges	C-
Dams	D
Drinking Water	C+
Rail	B-
Roads	D
Schools	C-
Storm Water	C-
Waste Water	C-

NC GPA **C-**

**On current course,
overall grade will
drop to a D in 6
years**

Where are we Going? 21st Century DOT



Where are we Going?

TIERED GOALS - EXAMPLE

Category	Tier	Current Condition	Current LOS	Target condition	Target LOS
Bridges	Overall	– 31% deficient	D	– 22-23% deficient	B
	Statewide (14%)	– 23% deficient	C	– 20% deficient*	B
	Regional (8%)	– 30% deficient	F	– 23% deficient*	B
	Subregional (78%)	– 33% deficient	C	– 33% deficient*	C
Pavements	Overall	– 66% Good/13% Poor	D	– 80% Good/7% Poor	B
	Statewide (11%)	– 71% Good/13% Poor	D	– 85% Good/5% Poor	B
	Regional (14%)	– 65% Good/16% Poor	D	– 80% Good/7% Poor	C
	Subregional (75%)	– 68% Good/13% Poor	D	– 75% Good/10% Poor	C
Signals	Overall	– Poor traffic progression	C	– Good traffic progression	A
	Statewide	– Poor traffic progression	C	– Good traffic progression	A
	Regional	– Poor traffic progression	C	– Good traffic progression	A
	Subregional	– Poor traffic progression	C	– Good traffic progression	A
Network Condition	Overall	– 79 Infrastructure Rating	D	– 87 Infrastructure Rating	B
	Statewide	– 80 Infrastructure Rating	C	– 87 Infrastructure Rating	B
	Regional	– 79 Infrastructure Rating	D	– 85 Infrastructure Rating	C
	Subregional	– 79 Infrastructure Rating	D	– 83 Infrastructure Rating	C
System Operations	Overall	– Closures <4hrs; info <2 hrs	D	– Closures <1hrs; info <20 min	A
	Statewide	– Closures <4hrs; info <2 hrs	D	– Closures <30 min; info <15 min	A
	Regional	– Closures <4hrs; info <2 hrs	D	– Closures <90 min; info <30 min	A
	Subregional	– N/A	N/A	– N/A	N/A

Total System

C-

B

* Same as national standard

Transformation Diagnostic Highlights

Strengths

- ✓ Change Commitment
- ✓ Financial Stability
- ✓ Technical Skills
- ✓ Can Do Attitude

Transformation Diagnostic Highlights

Development Areas

- Conflicting Vision and Goals
- Non-Strategic Portfolio of Project and Services
- Core Processes Lack Prioritization, Accountability, Coordination
 - Project Design & Delivery
 - Strategic Planning (ad-hoc)
 - Operational Processes (not linked to metrics)
 - Funding Flexibility
- Shortcomings
 - Organization Structure (Silo and non-collaborative)
 - Failing Talent System (Recruit/Motivation/Development)
 - Communication (Not pro-active)
 - Employee Mindsets

Current Portfolio of Projects

RISK:

Familiar

Unfamiliar

Innovative

TIMING:

Meet current
needs

Address
long-term
needs

Lagging ability to adopt best
practice (“unfamiliar”) activities

Current distribution of
projects suggests limited
commitment of resources
to innovative programs

PROJECTS

Maintenance & Preservation

- 1 Routine Highway Maintenance
- 2 Highway Resurfacing and Bridge Repair
- 3 Public Transportation
- 4 Ferries

System Modernization

- 5 Highway Improvements
- 6 Bridge Improvements
- 7 XXXX
- 8 Passenger Rail
- 9 Freight Rail
- 10 Bicycle Pedestrian

System Expansion

- 11 New Highways, Additional Lanes & Urban Loops
- 12 Public Transportation
- 13 Passenger Rail
- 14 Freight Rail
- 15 Ferries

Bubble size
indicates
funding level
under
recommended
investment
scenario

Emphasis on
spending for
current needs
at the expense
of longer-term
needs

Transformation TMT Initiatives

Transformation Management Team

- Align Strategic Direction with new Mission and Goals
(Priorities)
- Streamline Project Delivery(Combat Inflation)
- Refine Organization Design to become more Productive
(Innovation & Removal of Barriers to Success)
- Increase Accountability and Visibility for Performance
(Owners with Performance Metrics that Count)
- Improve Talent Management (Create/Inspire a
Workforce to Pull it Off)

Five Key Transformation Initiatives

Strategic Direction

- Define common **Mission** and **Goals** for the NCDOT
- Determine the appropriate **scope of activities** for NCDOT
- Identify potential opportunities for new sources of **funds**
- Evaluate possible **organizational changes** to reach strategic goals

Planning and Prioritization

- Establish a **Strategic Planning Office**
- Develop **strategic plan** that aligns with Mission and Goals
- Establish a new **prioritization approach** based on strategic priorities

Program and Project Delivery

- Develop and implement enhanced **program and project delivery** models and processes

Performance and Accountability

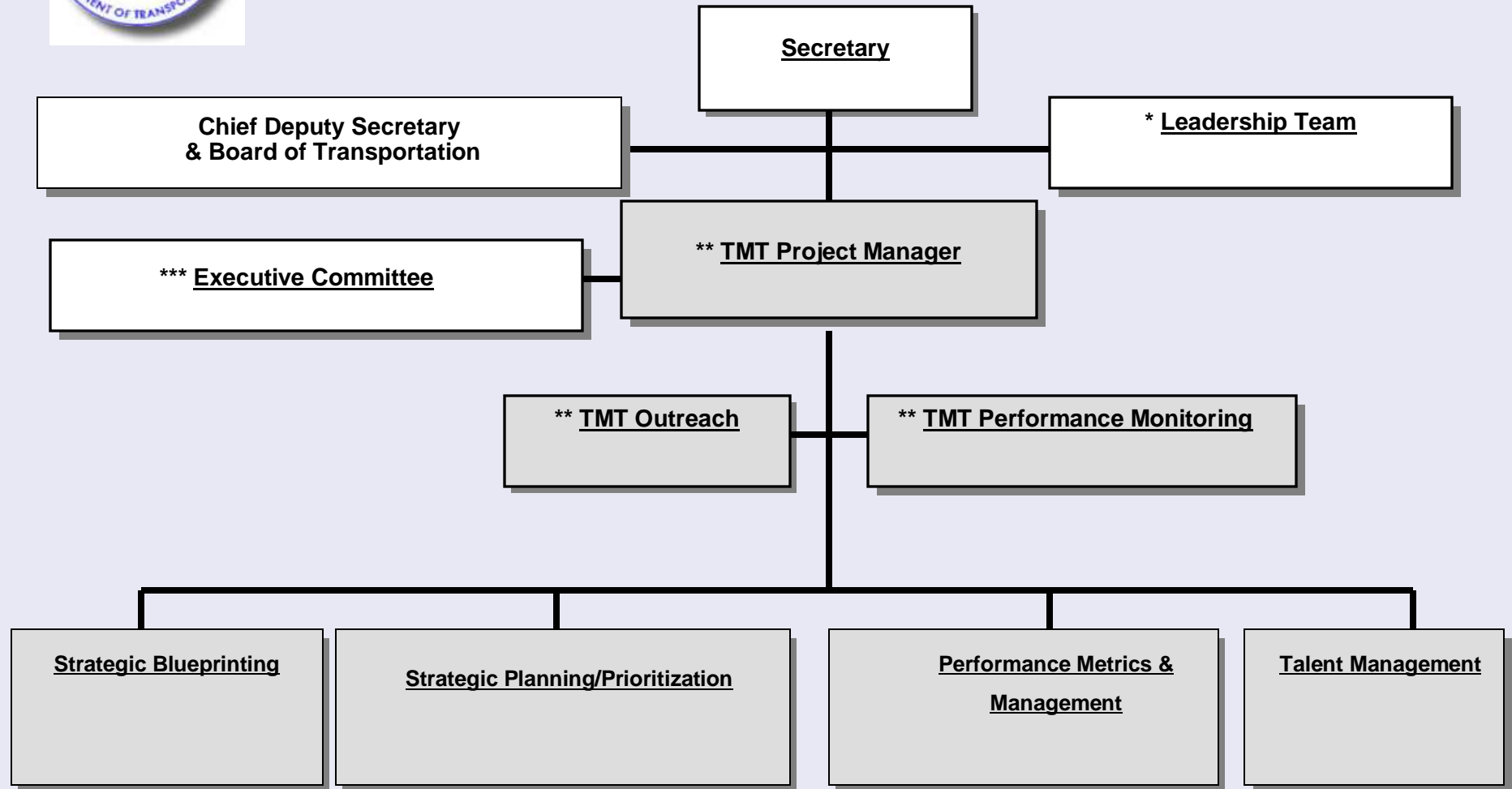
- Implement a public facing **Executive Dashboard** that is aligned with the mission and goals
- Introduction of a **performance based culture** that cascades performance metrics throughout the organization

Improved Human Resource Management

- Design a **rigorous performance review** process tied to performance metrics
- Design a process for **leadership planning**
- Make high level recommendations on **employee recruitment, development and retention**



NCDOT Transformation Management Team



* Leadership Team: Meets Weekly to Support, Review, Offer Comments and Guidance (5)

** TMT Project Office: Manages Day to Day Activities of the TMT (17)

*** Executive Committee: Meets at Milestones to Review Ideas and Offer Feedback (22)

 Denotes Full Time TMT

Strategic Direction

Alignment of Strategic Direction with New Mission and Goals

Accomplishments to Date:

- ✓ New Mission and Goals
- ✓ Strategic Leadership Roles Identified
- ✓ Organization Assessment Approach Identified and Plan Developed
- ✓ Alternative Funding Recommendations Developed
- ✓ Streamlined Project and Programs Delivery Models Identified

Key Deliverables - Within Next 12 Months:

- Establish Appropriate Strategic Leadership Roles / Positions
- Complete a Comprehensive Organizational Assessment of All Business Units:
 - Mission
 - End Products
 - Activities
 - Efficiencies
- Recommend Strategic Organizational Changes
- Actively Participate in Development of Statewide Logistics Plan

Mission & Goals

NCDOT

OUR MISSION

*"Connecting people and places
in North Carolina – safely and
efficiently, with accountability
and environmental sensitivity"*

OUR GOALS

- Make our transportation network **safer**
- Make our transportation network move people and goods more **efficiently**
- Make our infrastructure **last longer**
- Make our organization a place that **works well**
- Make our organization **a great place to work**



Goal: Thorough Assessment of all Business Units and Activities

Accomplishments to Date:

- **Efficiency-based Organization Design**
 - Addressing Repetitive Functions
 - Improving Cost Effectiveness By, E.G., Outsourcing or Devolving Activities
 - De-layering the Organization (Vertically and Horizontally)
 - Tightening Spans of Control Within Organization
 - Aligning Resource Levels With Levels of Work
- **Effectiveness-based Organization Design**
 - Map Major Functions of Organization
 - Identify Interdependencies, Coordination Points, and Mutual Accountabilities to the Branch Level
 - Review Other Organization Structures to Develop a Set of Organization Design Choices to Accommodate Linkages

Key Deliverables - Within Next 12 Months:

- Assess Results
- Make Long Term Organizational Changes

Streamlined Program and Project Delivery

Goal: Develop more efficient and effective delivery models

Accomplishments to Date:

- **NCDOT Bridge Program**
 - Twenty Year Assessment of Statewide Bridge Needs
 - Developed Processes to Address Gaps in Bridge Program Needs
- **TIP Projects**
 - Test Streamlined Project Delivery Models on Select TIP Projects
 - Demonstrate Ability to Deliver Projects Efficiently Particularly When Clear Priorities Are Set
 - PBS&J Study
- **Mobility Program**
 - Establish Standard Measures of Congestion to Allow Prioritization of Solutions
 - Identify Alternative Approaches to Manage Congestion
 - Assess Efficiency and Effectiveness of Resources Currently Allocated to Mobility Management

Key Deliverables - Within Next 12 Months

- Implement Processes
- Implement “Pilots”
- Assess Results and Make Long Term Changes Based on Lessons Learned

Goal: Improve condition of our bridges and make our investment go farther

- **Challenges**

- Approximately 8000 Bridges Eligible for Replacement in Next 20 Years Due to Age and Condition
- Limited Bridge Funding
- Construction Inflation
- Regulatory Agency Requirements / Agreements
- Coordination Between Business Units
- Lengthy Project Development Process

- **Recommendations**

- Develop a Budget Based Bridge Program (Preconstruction, Construction and Maintenance)
- Develop “Tier Appropriate” Bridge Standards
- Develop Long Term Maintenance, Preservation and Rehabilitation Strategies (Performance Standards)
- Streamline Planning, Permitting, Design and Construction Process
- Develop a Multiple Unit Coordination Approach

Key Deliverables - Within Next 12 Months

- Implement Recommendations
- Implement Standard Bridge Plans for Sub-regional Tier
- Implement Group Scope and Let Pilot
- Implement Division Managed Bridge Projects Pilot
- Align Preconstruction and Divisions
 - Regionally
 - Scoping

Accomplishments to Date

- ✓ Identified the Need for a Strategic Planning Office
- ✓ Established a Position for a Strategic Planning Director
- ✓ Developed a Conceptual Strategic Planning and Prioritization Process
 - Strategic “Direction Setting” Cycle
 - ◇ Frequency 8 Years
 - ◇ Outlook 20 - 25 Years
 - Strategic Prioritization Cycle
 - ◇ Frequency 2 Years
 - ◇ Outlook 2 - 7 Years
 - Annual Action Planning Cycle
 - ◇ Frequency Every Year
 - ◇ Outlook 1 - 2 Years
- ✓ Developed Stakeholder Involvement Recommendations

Key Deliverables - Within Next 12 Months

- Hire a Strategic Planning Director
- Establish Strategic Planning Office
- Communicate Conceptual Strategic Planning and Prioritization Processes to Key Stakeholders
- Train Departmental Leaders and Stakeholders on the New Strategic Prioritization Process
- Pilot Annual Action Planning Process

Accomplishments to Date

- ✓ Developed NCDOT's **Value Tree** Based on Department's New Mission and Goals
- ✓ Developed **Key Performance Indicators** That Align With New Mission and Goals
- ✓ Developed Performance **Metrics** for Department Leaders That Align With New Mission and Goals
- ✓ Implemented Performance Based Management **Targets** for NCDOT Maintenance and Operations Across the 14 Divisions
 - Aligns With the Goals to Make Our Infrastructure Last Longer
- ✓ Developed a Preliminary **Executive Dashboard** and Published on NCDOT Web Site

Key Deliverables - Within Next 12 Months

- Complete Development of Performance Targets for All Goals
- Develop Performance Metrics for All NCDOT Employees
- Educate All Employees on New Performance Culture
- Develop a Robust Executive Dashboard That Will Show Progress Towards Accomplishing Performance Outcomes

Performance and Accountability

PERFORMANCE METRICS FOR PRECONSTRUCTION

Working Draft 10/10/07

PDEA BRANCH MANAGER

	Metrics	Definition of measure/Comments
"Make our transportation network safer"	The metric for this goal is linked to <u>project delivery</u> which is under "Make our organization a place that works well".	
"Make our transportation network move people and goods more efficiently"	<ul style="list-style-type: none"> • Efficiency of Strategic Highway Corridor System 	<ul style="list-style-type: none"> • Composite score of average operating speeds and / or V/C ratios on Statewide Strategic Highway Corridors (SHC)
"Make our infrastructure last longer"	<ul style="list-style-type: none"> • Delivery of Bridge Replacement Program 	<ul style="list-style-type: none"> • Number of major milestones met on bridge replacement projects (planned vs. actual) (<i>Planning documents completed, R/W, Let, and Construction Completed</i>)
"Make our organization a place that works well"	<ul style="list-style-type: none"> • Delivery of all other TIP projects • Project Scope 	<ul style="list-style-type: none"> • Number of major milestones met (planned vs. actual) (<i>concurrence points, planning documents completed, public hearings held, R/W, Let, and Construction Completed</i>) • Once Cost Estimate Flow Chart and Scope Change Request processes are implemented, a metric needs to be developed to evaluate the performance
"Make our organization a great place to work"	<ul style="list-style-type: none"> • Employee Safety • Employee Satisfaction • Recruiting, developing and retaining employees 	<ul style="list-style-type: none"> • Number of incidents, lost work days, worker's comp claims • Employee satisfaction survey composite score • % vacancy rate or maybe % stabilization rate

Accomplishments to Date

- ✓ Completed Assessment of Current Personnel Practices and Developed Recommendations
- ✓ Developed Leadership Development System to Recruit, Develop and Retain Leadership Talent
- ✓ Developed Listing of “Core Values” for NCDOT
- ✓ Developed Performance Management System in Conjunction With Office of State Personnel
 - Includes Quantifiable Performance Metrics Assessment
 - Includes “Value Statement” Assessment
 - Includes Leadership Development Assessment
 - Includes Consequence Management Guidance
- ✓ Identified Need for Succession Planning

Key Deliverables - Within Next 12 Months

- Pilot New Performance Management System With Departmental Leaders
- Train and Implement New Performance Management System for All NCDOT Employees
- Complete an Employee “Value Proposition” That Can Be Used to Recruit Top Talent
- Develop and Implement a Mentoring Program Throughout the Organization
- Develop Career Planning System for All Employees (Technical, Functional, Managerial)
- Evaluate the Training and Development Needs of NCDOT Employees

Hurricane Isabel (2003)



Hurricanes Frances & Ivan (2004)



With Clear Priorities...

<u>Event</u>	<u>Time to Repair</u>	<u>Improved Efficiency</u>
• Hurricane Isabel	2 Months	50%
• Hurricanes Frances & Ivan	8 Months	40%

Other NCDOT Transformation Accomplishments

- ✓ EEP Budget Reduction - \$43 Million
 - Collaboration with DENR, COE, DWQ
- ✓ I-95 Corridors of the Future - \$21 Million
 - VA, NC, SC, GA & FL: one of 6 National selections
 - Future Opportunity for Significant Federal Assistance
- ✓ Traffic Management Federal Grant - \approx 1 Million
 - All Interstates
- ✓ Statewide Traffic Operations Center
 - Partnership with SHP/NCNG/EOC/NCDOT/NCTA
- ✓ GARVEE Bonds - \$300 Million
 - 30 Projects on Strategic High Corridors

NCDOT Transformation

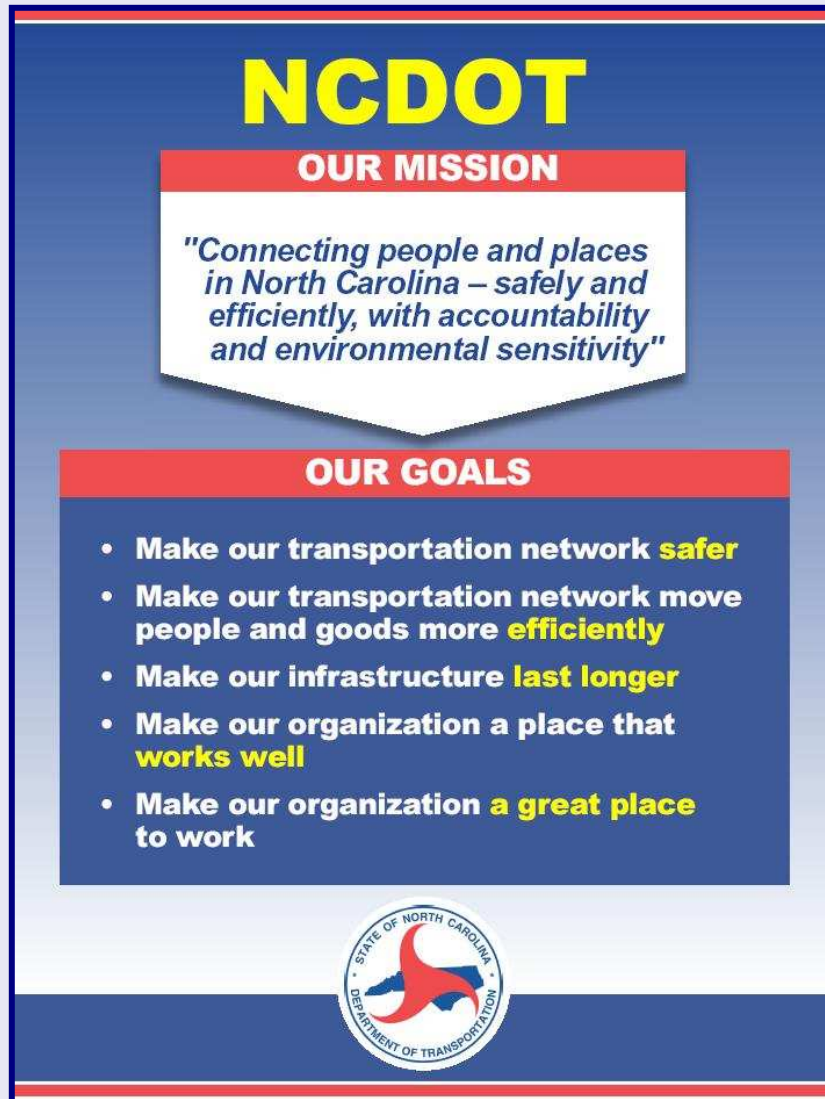
Theme

“Making a Good Organization Work Better by Unleashing the Potential of our Workforce”

Summary

- Own Initiative - Bold Action for Change
- Used World Renown Partner to instill proven business practices
- Aggressive TMT Delivery Schedule
- Already saved over \$40 Million with more to come
- Discovered Untapped Resource - Our Employees

It all comes back to....




NCDOT

OUR MISSION

"Connecting people and places in North Carolina – safely and efficiently, with accountability and environmental sensitivity"

OUR GOALS

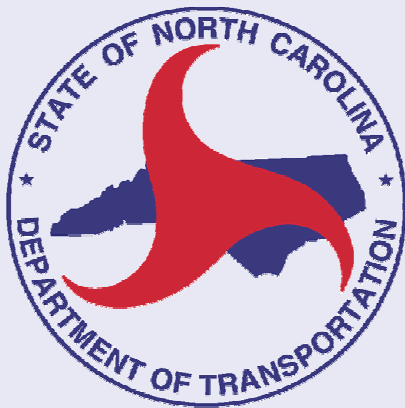
- Make our transportation network **safer**
- Make our transportation network move people and goods more **efficiently**
- Make our infrastructure **last longer**
- Make our organization a place that **works well**
- Make our organization **a great place to work**



The graphic is a vertical rectangle with a blue background and red and white horizontal stripes at the top and bottom. It contains the NCDOT logo at the top, followed by a red banner with 'OUR MISSION' in white. Below this is a white box with the mission statement in blue italics. Another red banner with 'OUR GOALS' in white follows, leading to a list of five goals in white text with yellow highlights. At the bottom is the official seal of the North Carolina Department of Transportation.

- Working Together for a Common Purpose
- Respecting Each Others Contributions
- Fulfilling our role in “Connecting People and Places in North Carolina”

NCDOT Transformation Update



Presented by
Roberto Canales, PE

December 11, 2007

Mission & Goals and Values

NCDOT

OUR MISSION

*"Connecting people and places
in North Carolina – safely and
efficiently, with accountability
and environmental sensitivity"*

OUR GOALS

- Make our transportation network **safer**
- Make our transportation network move people and goods more **efficiently**
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OUR VALUES

SAFETY - We strive for safety throughout our transportation networks as well as in our work and our daily lives

CUSTOMER SERVICE - We respond to our customers, both internal and external, in an open, professional and timely manner

INTEGRITY - We earn and maintain trust by responsibly managing the states assets, acting ethically, and holding ourselves accountable for our actions

DIVERSITY - We draw strength from our differences and work together in a spirit of teamwork and mutual respect

QUALITY - We pursue excellence in delivering our projects, programs, services and initiatives in an environmentally sensitive manner

Five Key Transformation Initiatives

Strategic Direction

- Define common **Mission** and **Goals** for the NCDOT
- Evaluate possible **organizational changes** to reach strategic goals

Planning and Prioritization

- Establish a **Strategic Planning Office**
- Develop **strategic plan** that aligns with Mission and Goals
- Establish a new **prioritization approach** based on strategic priorities

Program and Project Delivery

- Develop and implement enhanced **program and project delivery** models and processes

Performance and Accountability

- Implement a public facing **Executive Dashboard** that is aligned with the mission and goals
- Introduction of a **performance based culture** that cascades performance metrics throughout the organization

Improved Human Resource Management

- Design a **rigorous performance review** process tied to performance metrics
- Make high level recommendations on **employee recruitment, development and retention**

Strategic Direction

Align Strategic Direction with New Mission and Goals

Accomplishments to Date

- ✓ Mission & Goals and Values Defined
- ✓ Strategic Leadership Roles Identified
- ✓ Organization Assessment Approach Identified and Plan Developed
- ✓ Alternative Funding Recommendations Developed
- ✓ Streamlined Project and Programs Delivery Models Identified

Activities Underway

- Establish Appropriate Strategic Leadership Roles / Positions
- Comprehensive Organizational Assessment of All Business Units:
 - Mission
 - End Products
 - Activities
 - Efficiencies
- Recommend Strategic Organizational Changes
 - Office of Inspector General
 - Office of Program & Project Delivery
- Participate in Statewide Logistics Plan Effort

Accomplishments to Date

- ✓ Identified the Need for a Strategic Planning Office
 - ✓ Advertised Position for a Strategic Planning Director
- ✓ Developed Stakeholder Involvement Recommendations
 - ✓ Continuing to meet with Reps
 - ✓ MPO Leaders
 - ✓ NC League of Municipalities
 - ✓ NC Assn of County Commissioners
- ✓ Developed a Conceptual Strategic Planning and Prioritization Process
 - ✓ 1 year / 2 year / 8 year

Activities Underway

- Hire a Strategic Planning Director
- Establish Strategic Planning Office
- Communicate Conceptual Strategic Planning and Prioritization Processes to Key Stakeholders
- Train Departmental Leaders and Stakeholders on the New Strategic Prioritization Process
- Pilot Annual Action Planning Process

Streamlined Program and Project Delivery

Goal: Develop more efficient and effective business processes

Workstreams

- Bridge Program
- TIP Projects
- Mobility Program
- Agreements
- Document Reproduction
- Information Technology
- Office of Inspector General
- Pavement Management
- Centralized Consultant Service Acquisition
- Office of Program/Project Delivery
- STaRZ (Project Tracking Tool)
- Bridge Funding
- Facilities Management
- Equipment Management

Process

- Assess Program
- Design Solutions
- Implement Improvements

Timeline

30-45 Days From Start

Goal: Improve condition of our bridges and make our investment go farther

Challenges

- 8000 (+/-) Bridges Eligible for Replacement in Next 20 Years Due to Age and Condition; 4300 Timber Bridges 30-50 years old today
- Limited Bridge Funding
- Construction Inflation
- Regulatory Agency Requirements / Agreements
- Coordination Between Business Units
- Lengthy Project Development Process

Improvements

- Create Central & Division Bridge Mgrs
- Divisions Manage Bridge Projects on Sub-Regional Tier
- Centralized Bridge Lettings
- Streamline Replacement Process and Reduce Costs by
 - On-site scoping meetings
 - Site specific remedies
 - Grouping projects
 - Accelerated construction
 - Contracting incentives
- Implement Subregional Tier Design Standards: Roadway and Bridge

Goal: Improve accountability and efficiency of project delivery

Challenges

- Improve Project Delivery Rate
 - Address project delay issues
 - Set realistic schedules
- Improve Communications within NCDOT
 - Across Organization
 - Across Geography
- Instill Accountability in Project Delivery

Improvements

- Implement Pilot Management models
 - Implement Tri-Technical Managers
 - Create Project Management Execs
 - Create Project Team (ADU)
 - Cradle to Grave PEF
- Regionalize Preconstruction
- Division ROW/Utility Coordinators
- 2 Part TIP
 - Development
 - Delivery
- Create Project Delivery Streamlining Committee

Accomplishments to Date


- ✓ Developed NCDOT's **Value Tree** Based on Department's New Mission and Goals
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Activities Underway

- Develop Performance Targets for All Goals
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- Educate All Employees on New Performance Culture
- Develop a Robust Executive Dashboard That Will Show Progress Towards Accomplishing Performance Outcomes

Performance and Accountability

Performance Dashboard - Interim


North Carolina Department of Transportation

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What's New

- [Mission & Goals](#) **NEW!**
- [NCDOT Ethics Policy](#)

Divisions

- [Aviation](#)
- [Bicycle & Pedestrian](#)
- [DMV](#)
- [Ferry](#)
- [Highways](#)
- [Public Transportation](#)
- [Rail](#)

Programs >

NCDOT Organizational Performance Dashboard

- [Mission](#)
- [Goals](#)

Mission:

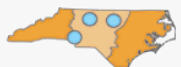
Connecting people and places in North Carolina - safely and efficiently, with accountability and environmental sensitivity.

Goals:

- Make our transportation network safer**
 - [5 Year Crash Fatality Statistics](#)
 - [Fatality Information \(Crash Report\)](#)
- Make our transportation network move people and goods more efficiently**
 - [Congestion Areas](#)
 - [Strategic Highway Corridors](#)
 - [Travel Information \(TIMS\)](#)
- Make our infrastructure last longer**
 - [Executive Summary Report, 2006](#)
 - [Full Maintenance Condition Report](#)
- Make our organization a place that works well**
 - [Continuous Process Improvement Program \(CPI\)](#)
 - [Construction Progress Report](#)
 - [Money Spent on Construction Projects, 2007](#)
- Make our organization a great place to work**
 - [Current Job Postings](#)
 - [Employee Newsletter, In the Loop](#)

Find Information Near You!

Click the map for regional information or



Select-A-County

Commuters & Travelers

- [Construction Projects](#)
- [Driver License](#)
- [HOV Lanes](#)
- [Road Conditions](#)
- [Traffic Cameras](#)

Business Resources

- [Approved Product List](#)
- [Directory of Transportation Firms](#)
- [Electronic Forms](#)
- [Project Letting](#)
- [Order Plans](#)
- [Order Publications](#)

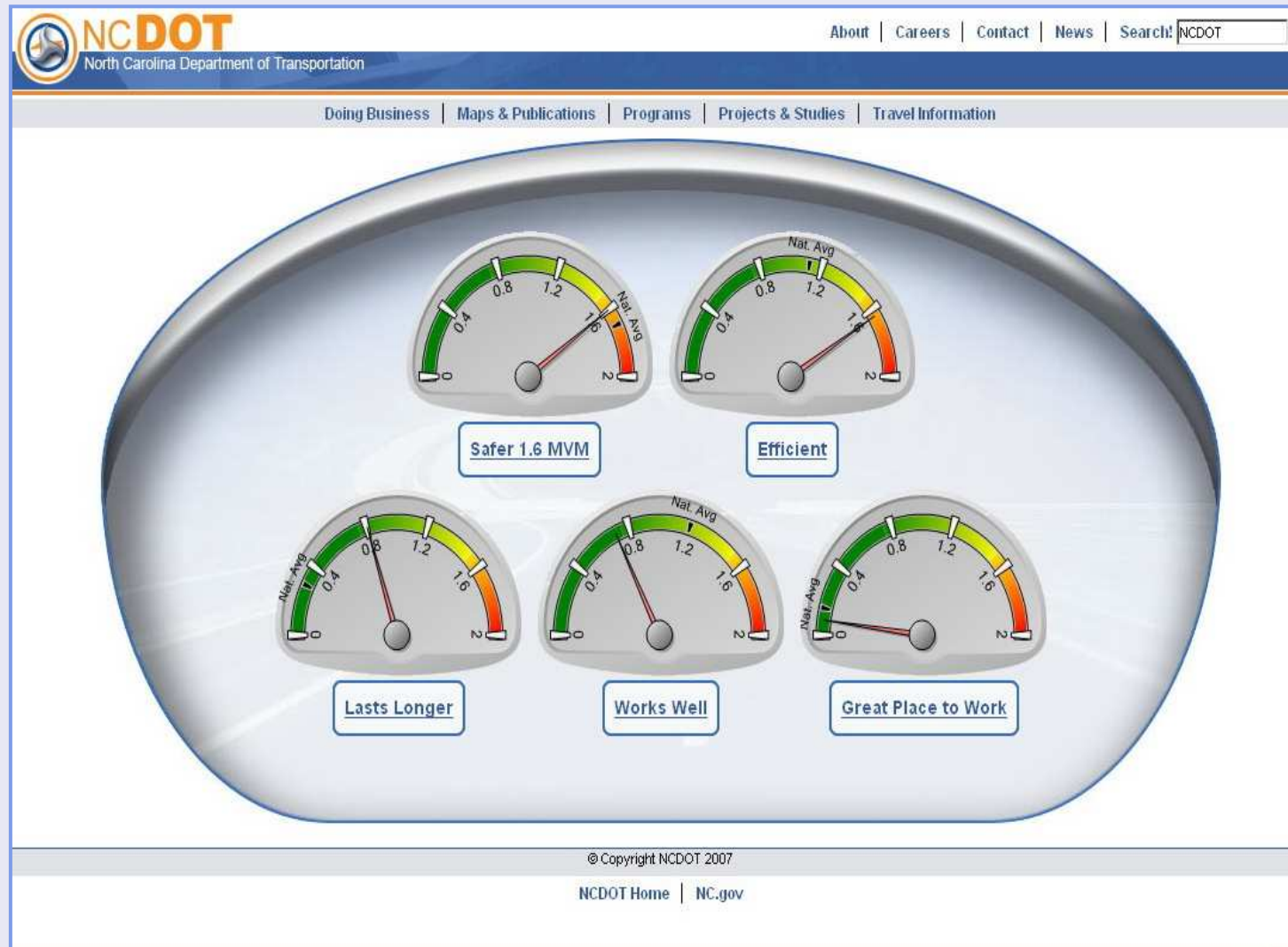
Need Acrobat?



[Download it here.](#)

Performance and Accountability

Performance Dashboard - Ultimate



Accomplishments to Date

- ✓ Completed Assessment of Current Personnel Practices and Developed Recommendations
- ✓ Developed Leadership Development System to Recruit, Develop and Retain Leadership Talent
- ✓ Developed Listing of “Core Values” for NCDOT
- ✓ Developed Performance Management System
 - Quantifiable Performance Metrics Assessment
 - “Value Statement” Assessment
 - Leadership Development Assessment
 - Consequence Management Guidance
- ✓ Identified Need for Succession Planning

Activities Underway


- Implement New Performance Management System
 - Departmental Leaders
 - All NCDOT Employees
- Begin NCDOT-wide Mentoring Program
 - Reinstated Female Mentoring Program
- Create Planning Systems
 - Technical, Functional, Managerial
 - Leadership
- Evaluate Employee Training and Development Needs
- Define “Employee Value Proposition”
- Administer “Employee Engagement” Survey
- Improve Recruitment and Orientation Programs

New Performance Management System

CHIEF ENGINEER OPERATIONS

	Metrics	Definition of measure/Comments
"Make our transportation network safer"	<ul style="list-style-type: none"> Crash Rates (Fatal and Severe & Moderate Injuries) 	<ul style="list-style-type: none"> % improvement of crash rates by tiers involving fatalities and serious & moderate injuries compared to statewide baseline
"Make our transportation network move people and goods more efficiently"	<ul style="list-style-type: none"> Reliability on the System Strategic Highway Corridors and Regional Tier routes 	<ul style="list-style-type: none"> Average operating speeds on Strategic Highway Corridors (SHC) Travel time reliability- standard deviation of avg. commuter time in selected urban areas Congestion (Level of Service)
"Make our infrastructure last longer"	<ul style="list-style-type: none"> Statewide Infrastructure Health 	<ul style="list-style-type: none"> Cumulative Statewide Rating (Level of Service Rating)
"Make our organization a place that works well"	<ul style="list-style-type: none"> Delivery on Schedule and Budget Business Development & Outreach Customer Service Fiscal Management 	<ul style="list-style-type: none"> % of projects managed, administered, constructed on schedule and on budget (Planned vs. Actual) % of solicitations sent to, % of bids received from, & % of contract dollars awarded to DBEs, MBEs, WBEs, SBEs, & HUBs Customer survey scores (public, partners, etc.) % improvement of existing overhead and program budget
"Make our organization a great place to work"	<ul style="list-style-type: none"> Employee Safety Employee Satisfaction Recruiting, developing and retaining employees 	<ul style="list-style-type: none"> Number of incidents, lost work days, worker's comp claims Employee satisfaction survey composite score Retention rate of "Top Performers" and/or stabilization rate

It all comes back to....




OUR MISSION

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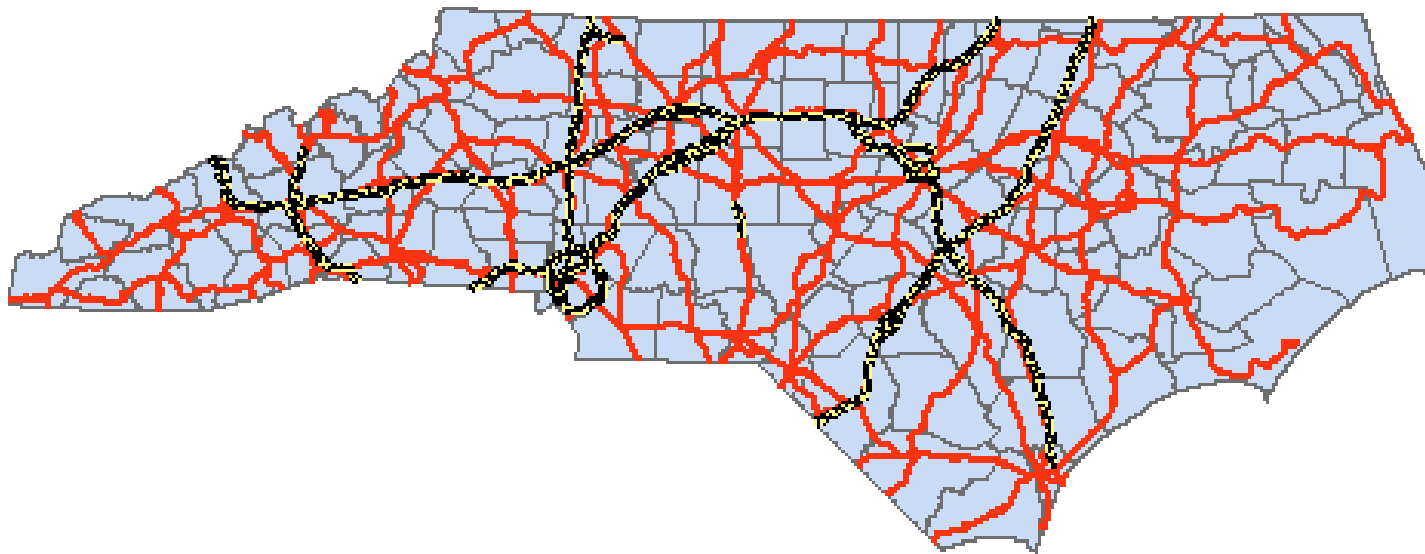
- Working Together for a Common Purpose
- Knowing that our Customers expect Meaningful Change
- Fulfilling our role in “Connecting People and Places in North Carolina”

Transformation Overview for Rhode Island DOT & FHWA-RI



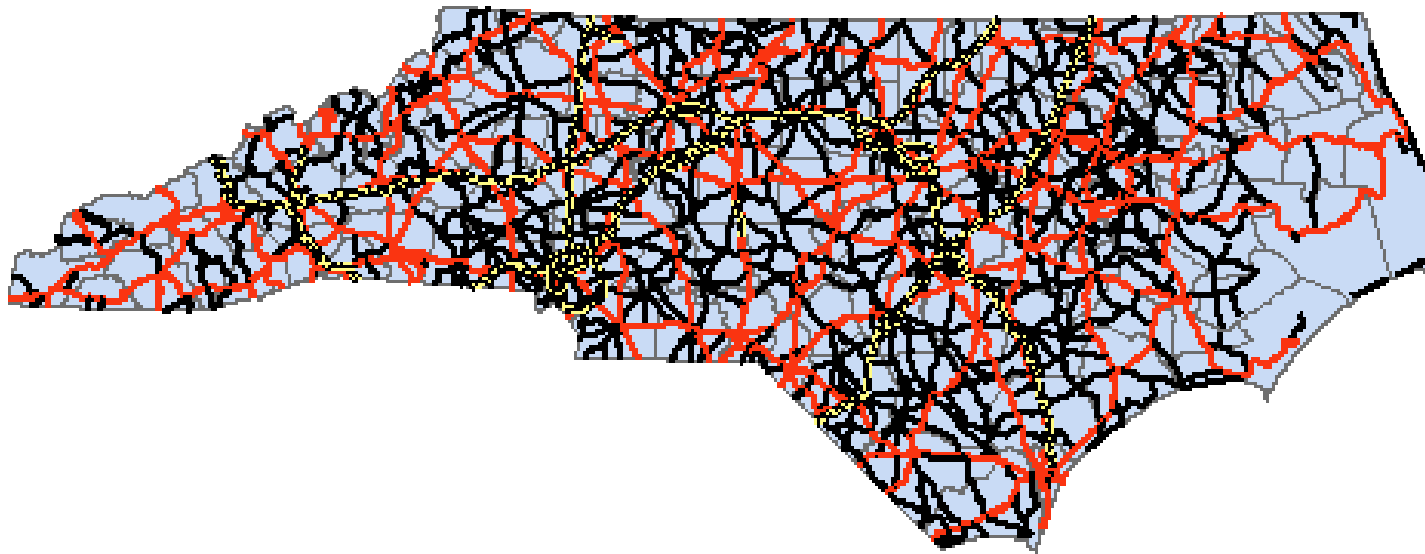
“Connecting People & Places in North Carolina”

Interstates & US Routes



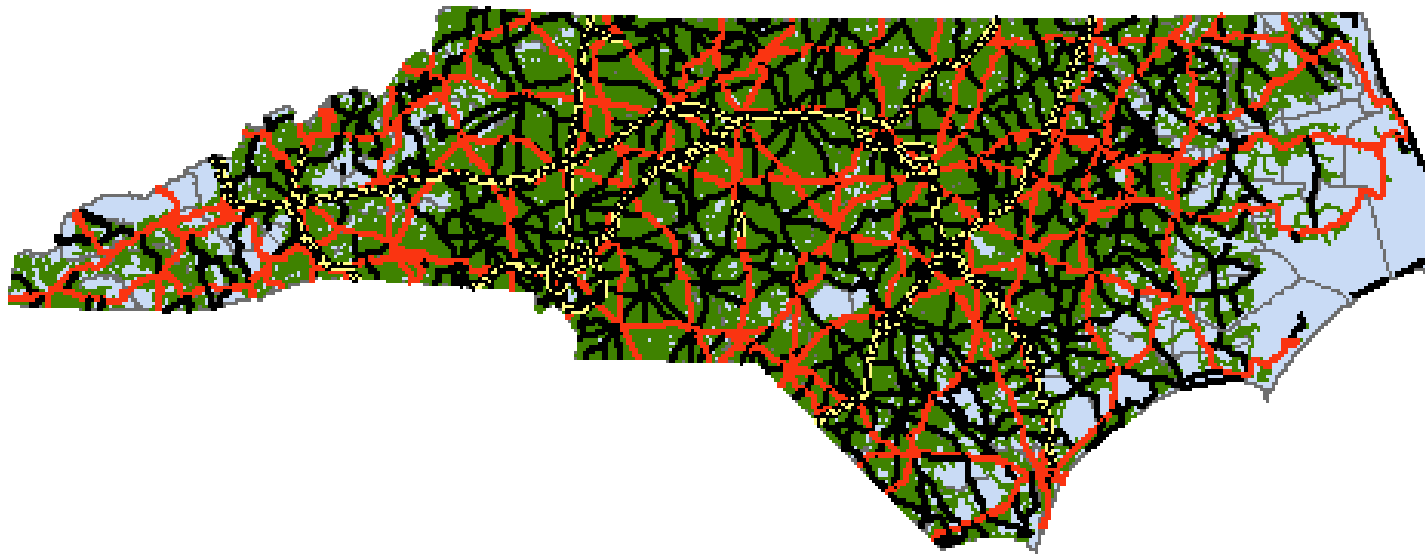
6,689 Road Miles

Interstates, US & NC Routes



14,805 Road Miles

All NCDOT Maintained



79,009 Road Miles

NC State Highway System



- 79,009 road miles
- 158,592 paved lane miles
- 6,644 miles of unpaved roads
- 17,756 structures
- 78.8 M sf bridge deck area
- 8,800 Signals
- No County DOT's

Highway System Definition (Tiered Approach)



- **Statewide Tier** - Facilities such as Interstates and major Primary Highways which serve long-distance trips, connect major population centers, have the highest usage and primarily provide a mobility function.
- **Regional Tier** - Minor US and NC designated highways which connect regional centers and typically serve high levels of demand for short distance like commuter travel.
- **Subregional Tier** - Minor NC routes and Secondary Roads which serve localized, short distance movements, have low demand, and provide land access to homes and businesses.

Other Modes

Rail – Passenger and Freight Support

- Amtrak service, High Speed Rail, Station renovation
- 4,350 Highway/RR Crossings



Public Transportation – Support for 100 counties

- First Light Rail in Charlotte (Nov 07)
- 19 fixed route systems in NC



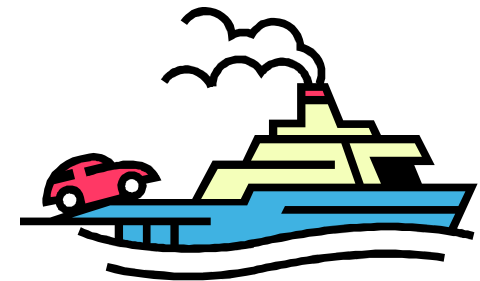
Ferry System – 2nd largest in US

- 25 vessels over 8 routes

Bicycle & Pedestrian – Oldest Div in US

- 3000 mile system of bike routes

Aviation – Support 74 public airports



Our Organization

- 14,000 Employees
- 14 Highway Divisions (9500 employees)
- 100 Counties

- Secretary
- Board of Transportation
- \$4B Annual Budget

- Largest employer of engineers in our state
- One of the largest state agencies

Why Transformation

STRAIN OF EXTERNAL TRENDS

Growing Demand on System

- *Doubling of "Vehicle Miles Traveled" by 2030*
- *NC population projected to grow by 50% between 2000 and 2030, "7th most populous state by 2030"*

Increasing Cost of Supplies

- *80% construction supplies inflation since 2002*
- *Spike in global asphalt, cement, and steel prices expected to continue*

Declining Funding

- *State gas tax purchasing power has declined (inflation and mpg)*
- *Federal Highway Trust Fund program projected to run out of funding by 2009*
- *Transportation funding flat/declining for FY2008/09**

Why Transformation

- Current NCDOT model not working

"All Things to All People"

- Faith In Government

State

Audit: DOT Wasted \$152.4 Million in Construction Overruns

By MIKE BAKER
Associated Press Writer

Posted: Feb. 7, 2008

RALEIGH, N.C. — The state Department of Transportation is wasting tens of millions of dollars in taxpayer money, operates on "hunches" and lacks a fundamental understanding of how to assess internal problems, state auditors said Thursday.

The agency spent \$152.4 million in unnecessary construction costs on delayed highway projects during a three-year period ending in Office. The study reviewed 390 highway projects.

Traffic

Overhaul in Road Funding, DOT Structure Urged

Posted: Feb. 28, 2008
Updated: Feb. 28 6:43 p.m.

RALEIGH, N.C. — North Carolina needs to shift highway construction funds from rural to urban areas, come up with new ways to finance roads and overhaul the state Department of Transportation, according to a report issued Thursday.

The North Carolina Justice Center, a think tank that advocates for low- and moderate-income residents, says the population boom statewide and rising construction costs will require the General Assembly and the DOT to change in the coming year so that state highways don't become overwhelmed.

The DOT has been dogged in recent months by a state audit and a consultant's report that describe it as an agency lacking in direction and plagued by poor planning.

"There's a lot of waste in DOT, and there's a lot of

State

McCrory Wants N.C. to Plan for Transportation 50 Years Out

Posted: Feb. 11, 2008
Updated: Feb. 12, 2008

CHARLOTTE — North Carolina should create and carry out a 50-year transportation plan and restrict the political influence of Board of Transportation members, Republican gubernatorial candidate Pat McCrory said Monday.

McCrory, Charlotte's mayor, is the latest hopeful for governor who has laid out a reform plan for transportation policy, which has taken sharp criticism in recent months for poor performance, unforeseen interstate repairs and allegations of political influence in road projects.

"I will help lead experts and citizens with new ideas to address the ever changing mobility needs of the present and future," McCrory said in a news release. "I will also restore the ethics and values of it efficient use of taxpayer dollars of all our citizens."

McKinsey Survey Findings

Strengths

- Change Commitment
- Financial Stability
- Technical Skills
- “Can Do Attitude”

Shortcomings

- Organizational Structure...
Silo’ed and non-collaborative
- Failing “Talent System”
Recruit/Motivate/Develop
- Communication...
Not pro-active

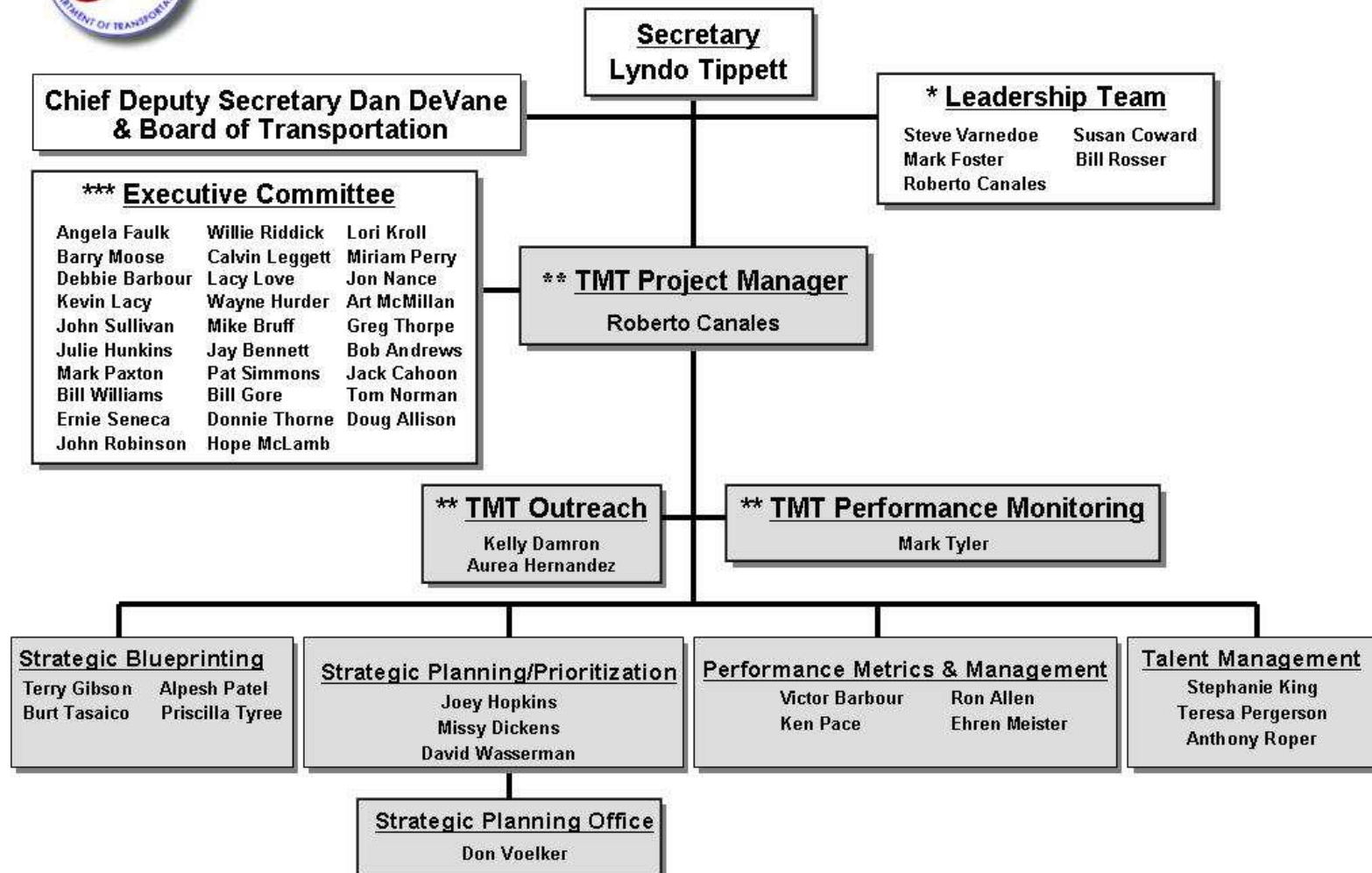
Development Areas

- One Common Focused Direction
- Strategic in selecting Projects and Services
- Improve Prioritization, Accountability, and Coordination of Core Processes
- Telling our Story...the good that we do

NCDOT Transformation Management Team



NCDOT Transformation Management Team




* Leadership Team: Meets Weekly to Support, Review, Offer Comments and Guidance (5)

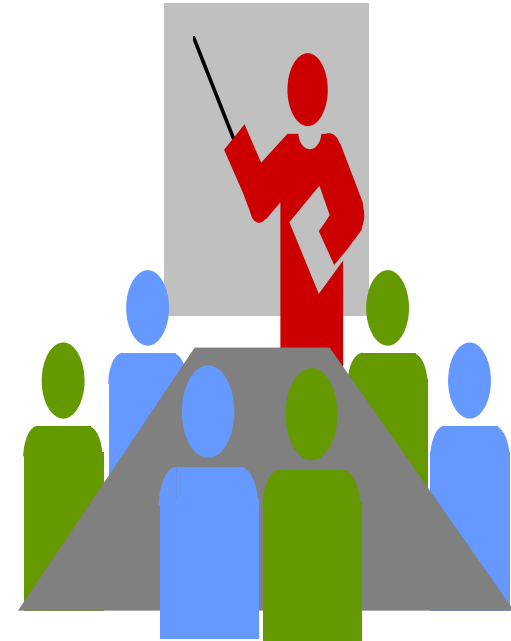
** TMT Project Office: Manages Day to Day Activities of the TMT (19)

*** Executive Committee: Meets at Milestones to Review Ideas and Offer Feedback (29)

■ Denotes Full Time TMT

Outreach

- Information Out
 -  on NCDOT home page
 - TMT Portal Page
 - All Employee Emails
 - “In the Loop” Employee Newsletter
 - Business Unit Presentations
- Feedback In
 - TMT Portal Page - “Contact Us”
 - Dial 511 - “Feedback”
 - Q& A sessions with Secretary Tippet
 - Transformation Feedback form



Five Key Transformation Initiatives

Strategic Direction

Planning and Prioritization

Program and Project Delivery

Improved Human Resource Mgt

Performance and Accountability

Strategic Direction



Working together for a common purpose ...



Mission, Goals and Values

NCDOT

OUR MISSION

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OUR GOALS

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- **DIVERSITY** - We draw strength from our differences and work together in a spirit of teamwork and mutual respect.
- **QUALITY** - We pursue excellence in delivering our projects, programs, services and initiatives.

Values are

- What an organization stands for and believes in
- Behavioral expectations
- Manner in which we conduct our business

Planning and Prioritization

Initiative 2

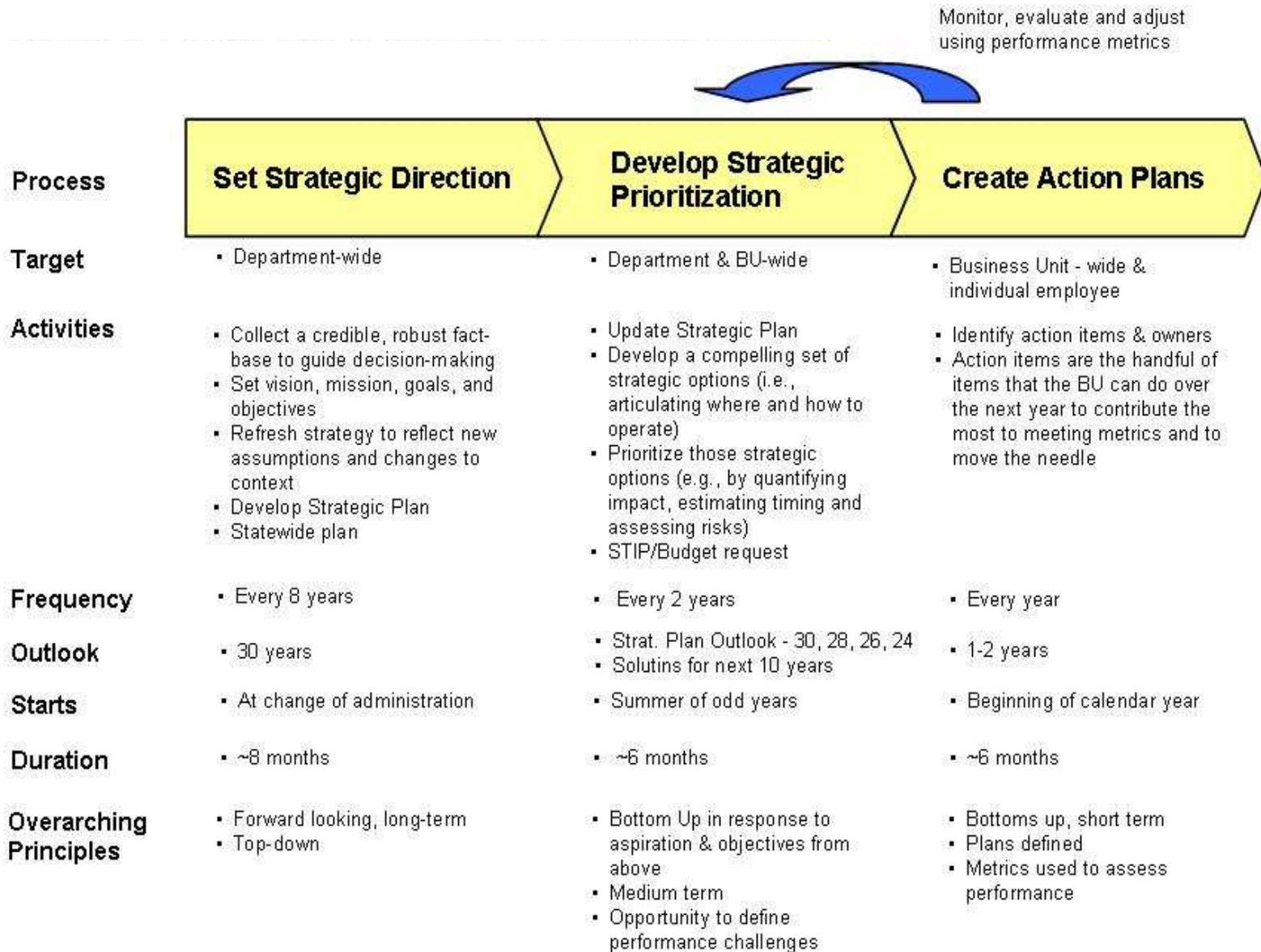


Planning and prioritizing our work.....

Strategic Prioritization – Why Prioritize?



NCDOT's Strategic Planning Design Principles



Steps in Strategic Planning Cycles

Strategic Direction 8 year

- Assess Performance and Current and Future Operating Environment
- Develop Aspirations and Initiatives
- Gather Stakeholder Input
- Revisit Vision, Mission, Goals, Objectives, and Targets
- Update Long-Range Statewide Multimodal Transportation Plan/Strategic Plan

Strategic Prioritization 2 year

- Assess Performance and Current and Future Operating Environment
- Identify & Compile Needs & Solutions (Business Unit and Transportation Infrastructure)
- Rank Solutions in Priority Order by Category
- Consolidate, Evaluate, and Finalize Priorities (Unrestricted)
- Balance Funding with Priorities (Restricted)
- Finalize Budget Request and Draft and Final STIP

Action Plan 1 year

- Review and Evaluate Performance
- Develop and Launch Action Plans
- Monitor Performance

Strategic Prioritization – Major Outcomes

Three major outcomes of the prioritization process

- What solutions are needed (what we need to do – our wish list)
- What we're capable of doing
- What we're going to do (what our actual plan is)

Prioritization process primarily includes only solutions that are new or expanded/modified

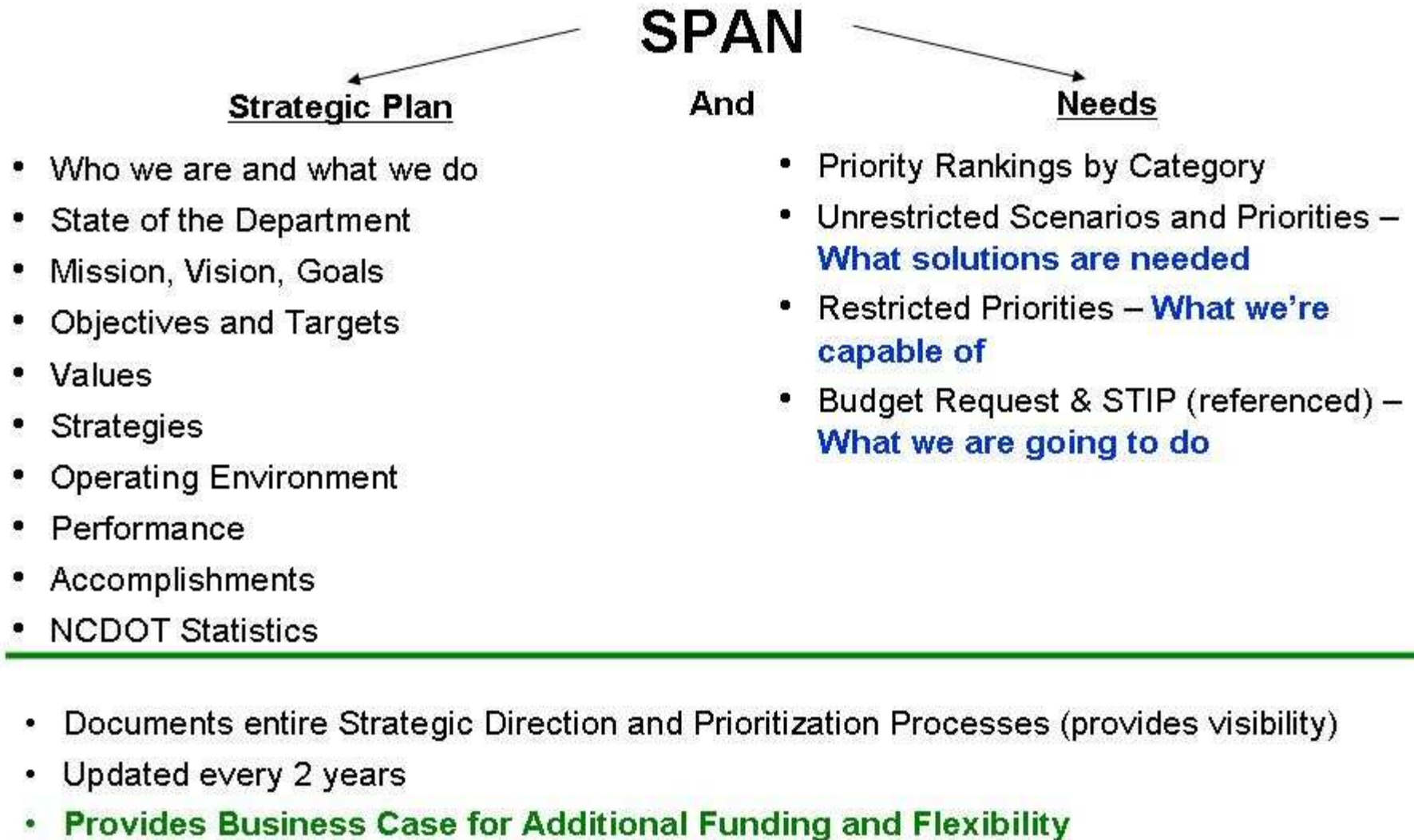
SPAN Report



2008 REPORT

*Connecting people and places in North Carolina – safely
and efficiently, with accountability and environmental sensitivity.*

SPAN Report – Plans and Needs





Strategic Planning Office of Transportation (SPOT)

Rhode Island DOT Peer Exchange Don Voelker, Director

July 31, 2007





Strategic Planning Office of Transportation (SPOT)

Who is SPOT?

- SPOT is an office of three employees (effective July 1)
- Director is Don Voelker – appointed January 2008.
 - Alpesh Patel
 - David Wasserman, PE





Strategic Planning Office of Transportation (SPOT)

Why was SPOT created?

- McKinsey Diagnostic – Spring 2007
 - Strategic Planning Process
 - Mission, Goals, Values
 - Establish Prioritization Process
 - Projects, Programs, Services, Initiatives
 - Recommended List of Priorities consistent with Department's NEW Mission and Goals





Strategic Planning Office of Transportation (SPOT)

How will SPOT help NCDOT?

- Develop mechanisms to evaluate projects, programs, services and initiatives across the entire Department
- Use a multi-modal cross functional approach
- Provide assistance to the business units to help them outline their needs and their ranking of those needs
- Use priorities to:
 - guide TIP development and
 - provide input into annual budget for Governor/Legislative review
- Communicate priorities that are transparent to our citizens and employees and so that we can focus our commitments through to completion





Strategic Planning Office of Transportation (SPOT)

How will SPOT help NCDOT?

- Project
 - *Specific Task or Activity*
- Program
 - *Collection of Projects*
- Service
 - *Procedure or Process*
- Initiative
 - *Particular Issue or Challenge*





Strategic Planning Office of Transportation (SPOT)

What will SPOT do?

- Manage a NEW Strategic Prioritization Process
 - **Every 8 years** - Establish Strategic Direction
 - 30 year outlook
 - **Every 2 years** - Develop Strategic Prioritization
 - 5-10 year outlook
 - **Every year** - Create Action Plans
 - 1-2 year outlook





Strategic Planning Office of Transportation (SPOT)

- **Current SPOT Activities -**
 - Current Activities and First Year Goals
 - Develop **GIS-Based Maps** On Safety, Congestion, Pavement Condition
 - SHC Performance Levels and Major Influences
 - Potential Programs for New Funding
 - Complete Strategic Prioritization Process





Strategic Planning Office of Transportation (SPOT)

■ **Future SPOT Activities -**

- Business Unit Strategic Plans
- Maintain Executive Dashboard
- Advise SMC on Status of Overall Goals and Metrics
- Continuously ask How does NCDOT “move the needles”?





Strategic Planning Office of Transportation (SPOT)

Questions?





Delivering our projects, programs and services effectively on time and on budget...

Business Unit Assessment

- ✓ Completed Comprehensive Organizational Assessment of all Business Units (BU):
 - Mission
 - End Products
 - Cost to Produce End Products
 - Efficiencies

Status

- **Internal Efficiencies**
 - Internal efficiencies proposed by BU
 - Facilitated by BU itself
 - TMT member ensures completion
- **Training Opportunities**
 - Budget Accountability
 - Project Management
 - Managerial/Leadership
- **Deep Dives**
 - Issues cross multiple BU
 - Facilitated by the TMT staff

Workstreams

- Bridge Program
- TIP Project Delivery
- Information Technology
- Inspector General
- DOT Policy
- Program/Project Delivery
 - Project STaRS
 - Centralized Consultant Service Acquisition
- Mobility
- Agreements
- Facilities Management
- Equipment
- Safety, Loss & Security
- Budget
- Document Reproduction
- Marketing
- Transportation Planning
- Traffic Counts
- Americans With Disabilities Act

Process

- Create team (TMT + BU)
- Assess program
- Propose solutions
- Present to Leadership Team
- Implement improvements

Bridge Facts

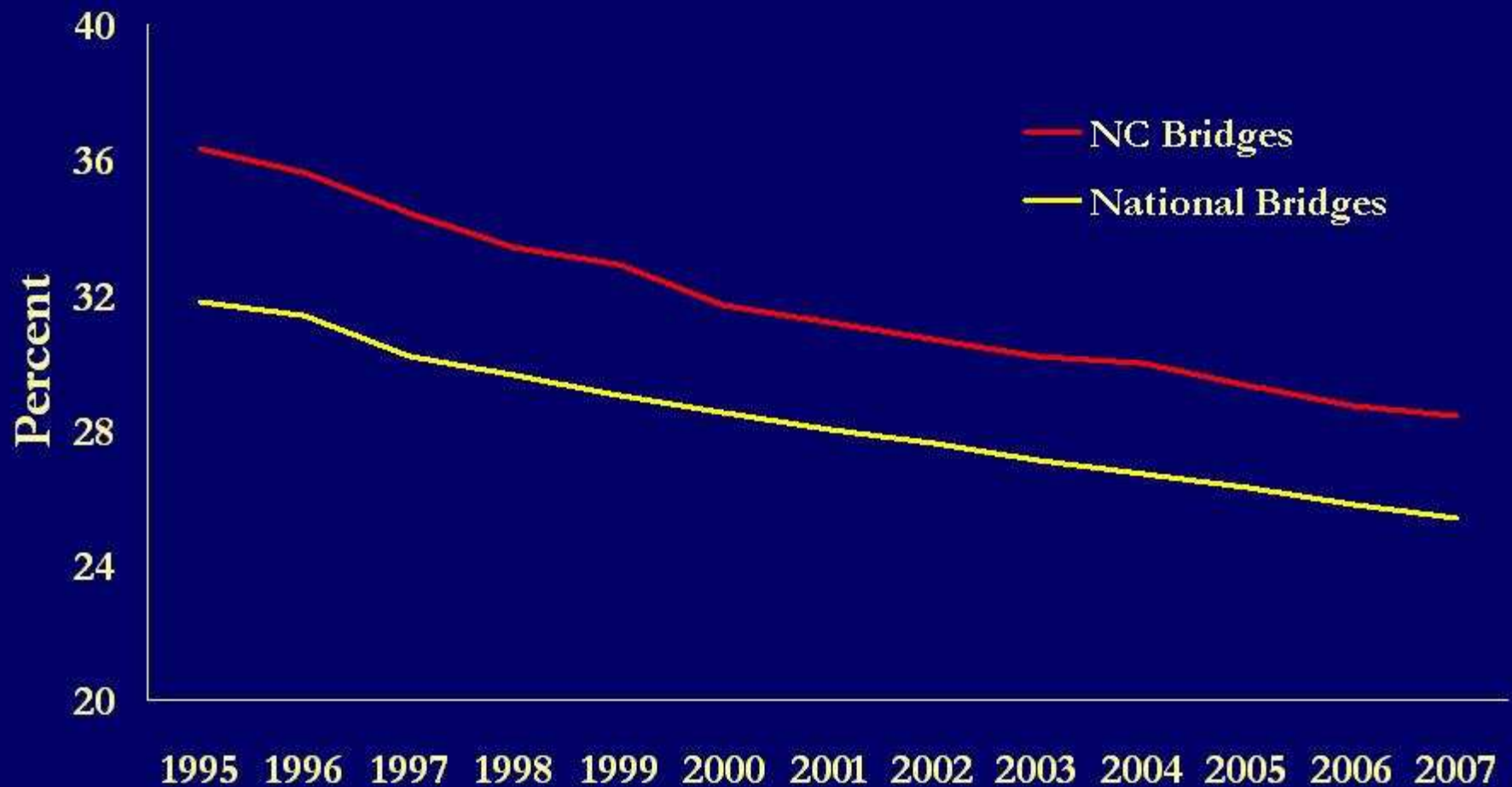
(Figures are Approximate)

12,600 State-owned and Maintained Bridges

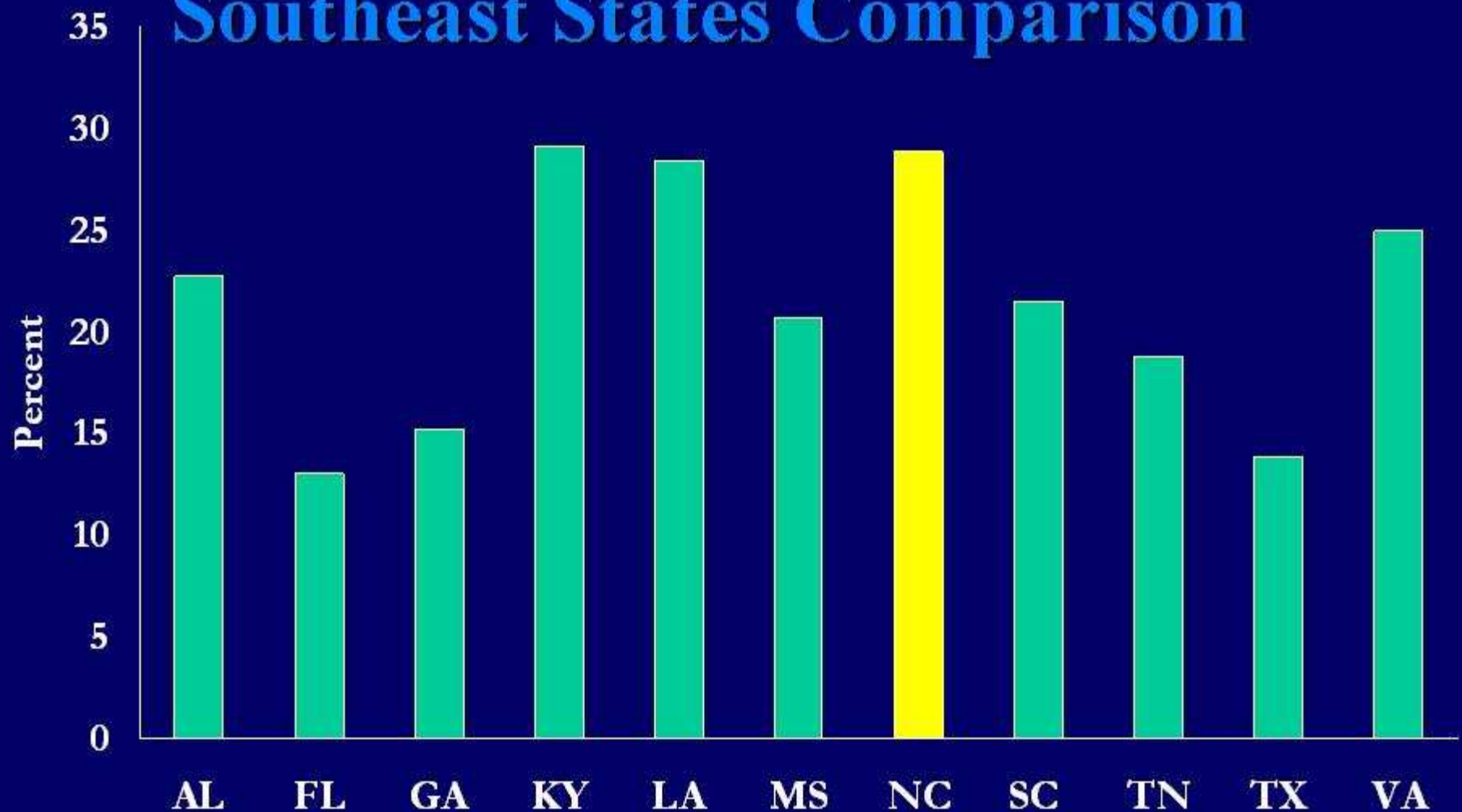
- 2,000 Bridges with SR < 50
- 700 Bridges are Programmed in TIP
- 4,000 with Timber Components



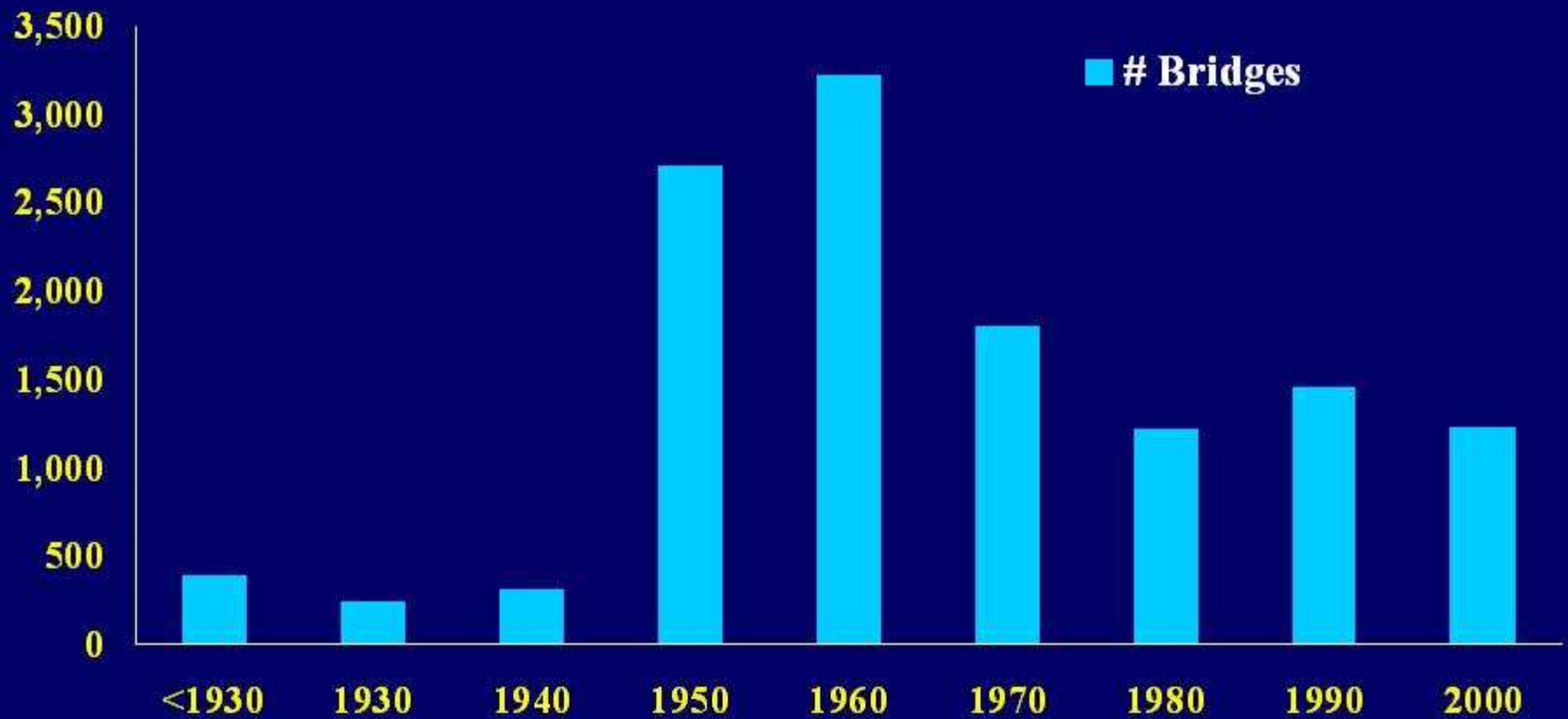
Bridge Deficiency Comparison



Bridge Deficiency Southeast States Comparison



Bridge Age

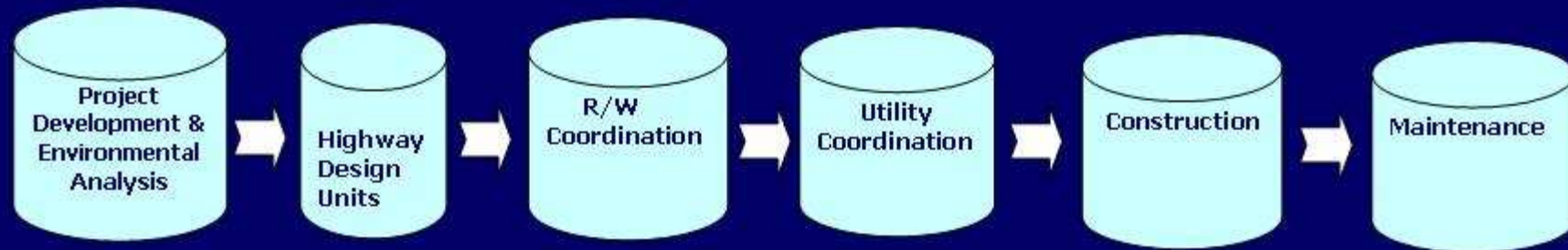


Bridge Condition Summary

- High Percent of Deficient Bridges
- Previous Bridge Investments are “Coming of Age”
- Limited funding requires more efficient process to address needs



Historic Bridge Program - Silo Effect



1-5 Year Process

Projects are selected based on Central list with minimal Division Input.

- No single point of accountability
- No team approach, Multiple hand-offs occur within units
- The same design standards are applied to all bridges
- Process without budget constraints
- Inefficient Process



New Bridge Program

One Owner with Regional/Division Coordination



1-3 Year Process

Projects are selected based on need and available funds with significant Division input.

- Bridge Management – accountable for entire program
- Division Managers are accountable for bridges in the Division
- Regional Team Approach - better efficiency and accountability
- On-site scoping minimizes alternatives, saving time and money
- Tiered Design Standards - right size bridge for route (est. 25% savings)
- Budget Based Design and Construction - spending accountability



New Process - Regional Teams

(Not a Complete List)

Region	Western	Central	Eastern
Division	10,11,12,13,14	5,7,8,9	1,2,3,4,6
STIP Staff	Van Argabright	Mike Stanley	Ray McIntyre
PDEA Staff	Teresa Hart	Eric Midkiff	Rob Hanson
Roadway Staff	Scott Blevins	Ron Allen	Dewayne Sykes



New Process - Delivery

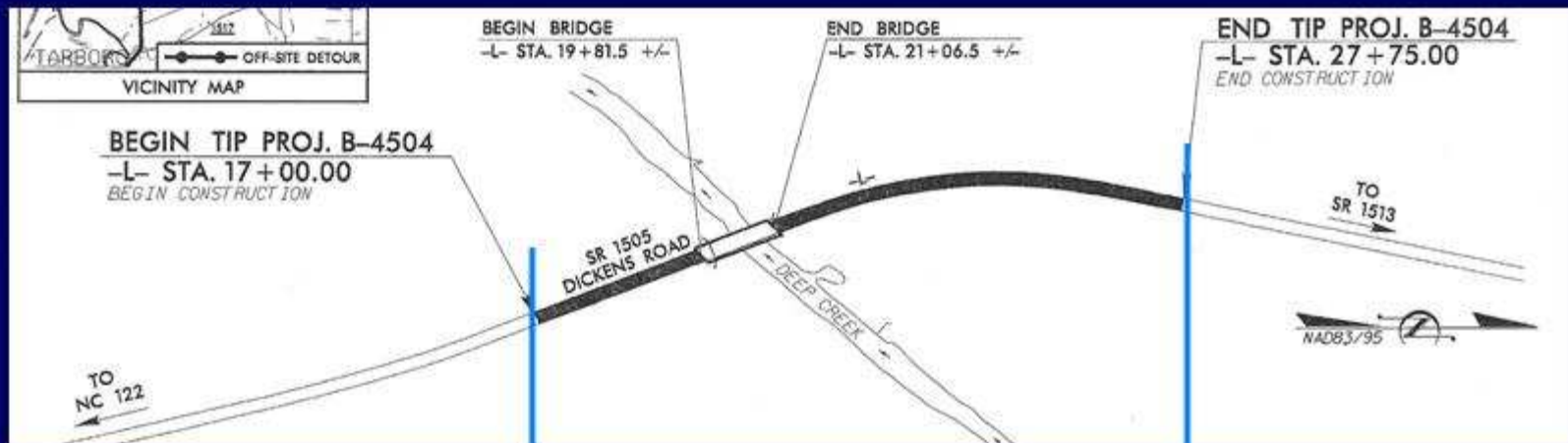
TIP #	Location (County)	Let Date	# of Bridges
B-1382	Sampson	8/08	2
B-3830	Columbus	9/08	2
B-4029	Bladen	9/08	1
B-4082	Columbus	9/08	2

- Group projects geographically & by let schedule
- Hold on-site scoping meetings with project team
- Apply appropriate design standards – maximize cost savings
- Let to construction as one project for economy of scale

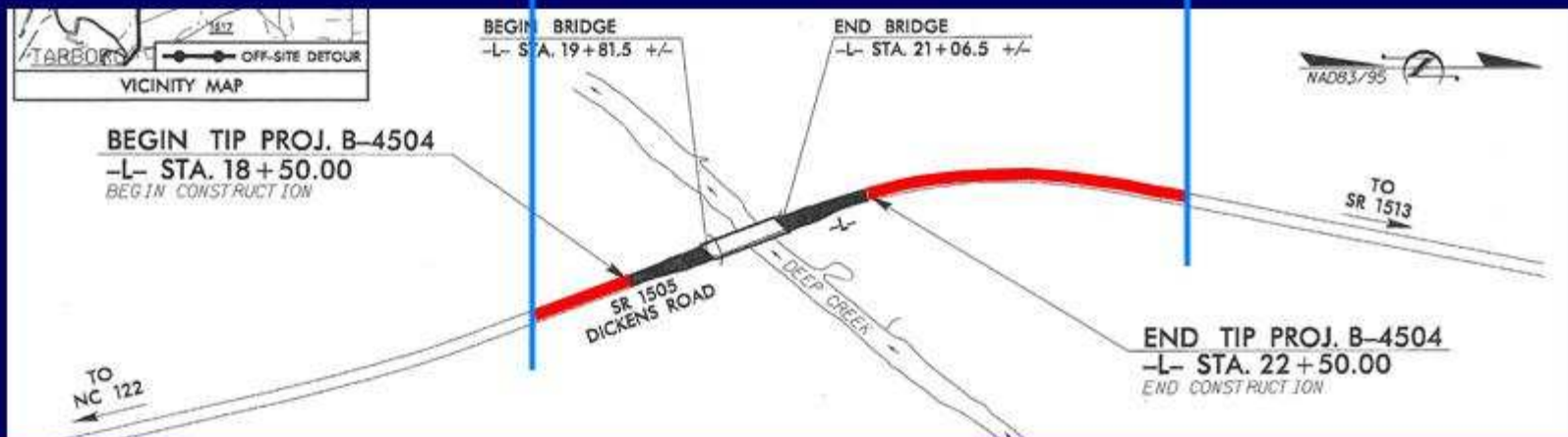


New Process – Tier Design

Old
Standard

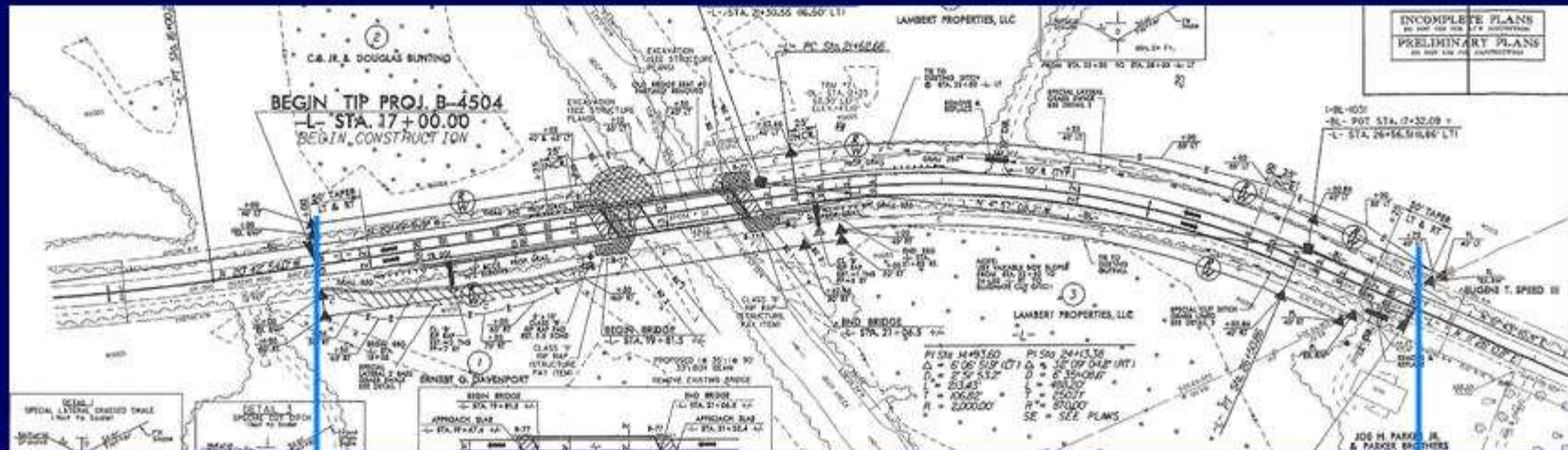


New
Standard



New Process – Tier Design

Old
Standard



New
Standard



New Process – Innovation

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
BRIDGE REPLACEMENTS



Bridge No. 39



Bridge No. 46



Bridge No. 31



Bridge No. 49



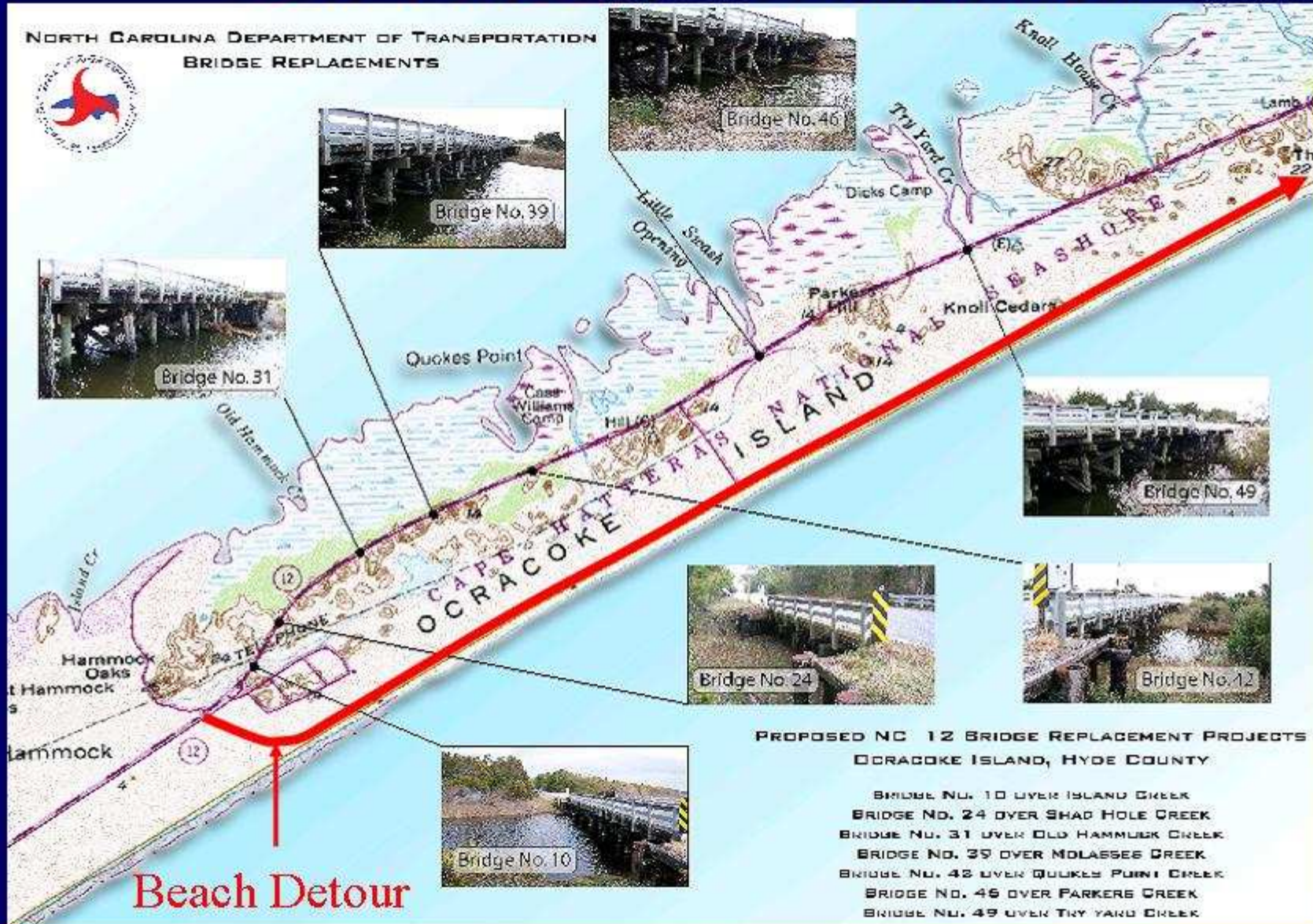
Bridge No. 24



Bridge No. 12



Bridge No. 10



Beach Detour

PROPOSED NC 12 BRIDGE REPLACEMENT PROJECTS OCRACOKE ISLAND, HYDE COUNTY

- BRIDGE NO. 10 OVER ISLAND CREEK
- BRIDGE NO. 24 OVER SHAD HOLE CREEK
- BRIDGE NO. 31 OVER OLD HAMMOCK CREEK
- BRIDGE NO. 39 OVER MOLASSES CREEK
- BRIDGE NO. 42 OVER QUAKES POINT CREEK
- BRIDGE NO. 46 OVER PARKERS CREEK
- BRIDGE NO. 49 OVER TRY YARD CREEK



Summary

Program Efficiency (in progress)

- Cut time by Two Years
- Instituted Regional Teams
- Developed on-site Scoping
- Standard Design
- Group Lettings
- All resulting in Cost and Time Savings

Program Funding (working with BOT TIP Subcommittee)



Improved Human Management




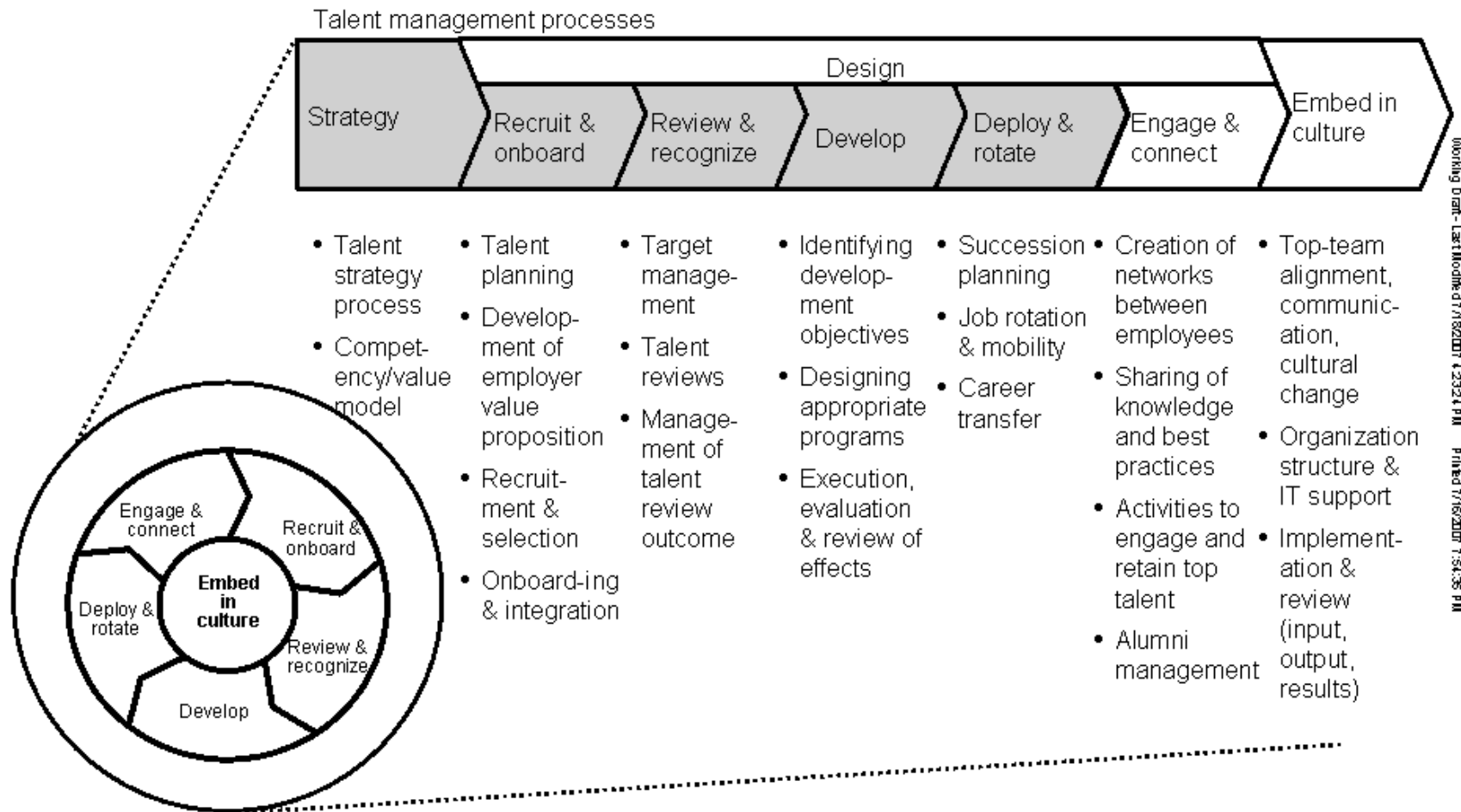
***Recruiting,
Retaining and
Developing our
employees to
have the right
people with the
right set of skills
in the right jobs
at the right time
to accomplish
our mission...***

Talent Management Framework

DAL-AAA123-20070712-

OVERVIEW: TALENT MANAGEMENT FRAMEWORK

 Focus of gap analysis

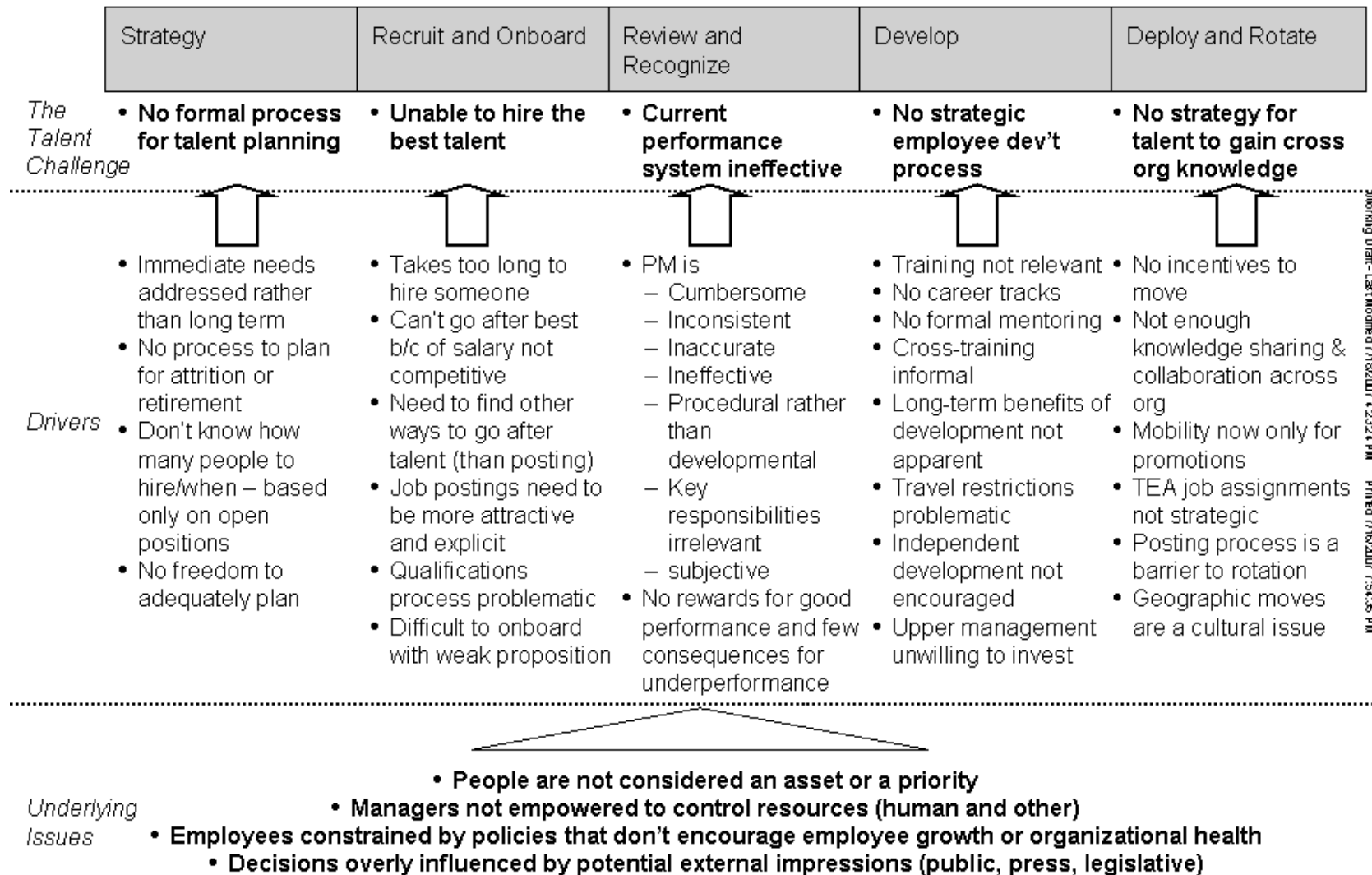


Key Challenges in Talent Management

DAL-AAA123-20070712-

RESULTS: KEY CHALLENGES IN TALENT MANAGEMENT

PRELIMINARY



Working Draft - Last Modified: 1/18/2007 4:23:24 PM Printed: 1/16/2007 7:54:36 PM

Source: Focus groups, interviews, McKinsey diagnostic

Talent Management Initiatives

- 1 Talent Strategy and Workforce Planning**
 - Implement a 21st Century talent focused human resource system
 - Implement workforce planning tool to plan for talent and capability needs in organization
- 2 Hiring Practices**
 - Streamline qualification and approval process
- 3 Employee Value Proposition**
 - Bring salaries closer to market
 - Identify attributes for attraction and retention of employees
- 4 Performance Review**
 - Develop new performance management system
- 5 Training**
 - Identify training needs for new culture
- 6 Employee Career Tracks**
 - Define technical, functional and managerial career tracks
 - Define goals for role and career
 - Implement assessment and development tools
- 7 Leadership Planning System**
 - Identify key leadership roles
 - Identify high potential employees and build capabilities to fill positions

Talent Management Initiatives (Continued)

- 8 Employee Engagement Survey**
 - Gauge employee satisfaction, motivation and commitment
 - Measure “Great Place to Work”
- 9 Recruitment Proposal**
 - Consider alternative approaches, target audiences and classifications strategically
- 10 Employee Orientation**
 - Provide a more positive, welcoming and value added on-boarding process
- 11 Career Mobility**
 - Formulate strategies to build experience
 - Movement of employees to ensure cross organization knowledge
- 12 Institute Quick Wins**
 - Eliminate mandated vacancy rate
 - Reduce approval time for out of state travel
 - Allow alternative work schedules
 - Modify 10% salary cap
 - Reinstate mentorship programs
 - TEA and Female Mentorship 2008
 - Department wide 2009

Performance Dashboard Appraisal - Section A

Section A. Performance Metrics

Performance Cycle Date:			
Name:		Unit/Section:	
Classification/Title:		Supervisor's Name:	

NCDOT Goals: (1) Make our transportation network **safer**. (2) Make our transportation network move people and goods **more efficiently**. (3) Make our infrastructure **last longer**. (4) Make our organization a place that **works well**. (5) Make our organization a **great place** to work.

Enter NCDOT Goal (1-5 above)	Performance Metrics (Results Expectations)			Progress Reviews			Year End		
	Measure	Target	% Weight	Review Date: _____	Review Date: _____	Review Date: _____	Actual Results	Number Rating *1, 2, 3	Weighted Rating % Weight x No. Rating
1	Crash Rates	238-230	5						
2	Reliability of Strategic Highway Corridor and Regional Tier Routes	TBD	0						
3	Division Infrastructure Health	C- to C	40						
4	Projects/Programs/Services on Schedule and on Budget	70-89%	40						
4	Customer Service	70-89%	5						
4	Fiscal Management	90-95%	5						
5	Employee Safety	6.1-7	5						
5	Employee Satisfaction	TBD	0						
5	Retaining, Developing, and Retaining Employees	TBD	0						
Total % must = 100			100%	Combined Weighted Rating =					
				Sum of % weights that received a number rating of "1" at year end					

***Number Rating Key:**

- 1 = Does not meet expectations
- 2 = Meets expectations
- 3 = Exceeds expectations

Beginning of performance cycle: Signatures indicate supervisor and employee have discussed performance metrics, NCDOT values and leadership competencies.

Supervisor's signature:		Title:		Date:	
Employee's signature:		Date:			

Performance Dashboard Appraisal - Section B

Section B. NCDOT Values

Supervisor's Instructions:

At the end of the performance cycle, check "YES" or "NO" as to whether the employee adhered to each value during the performance cycle. If "NO" is checked, a description of the non-adherence must be provided in the "Comments" column.

Values (Behavioral Expectations)	Adhered to Value?		Supervisor's Comments
	YES	NO	
<u>Safety:</u> We strive for safety throughout our transportation networks as well as in our work and our daily lives.	<input type="checkbox"/>	<input type="checkbox"/>	
<u>Customer Service:</u> We respond to our customers, both internal and external, in an open, professional and timely manner.	<input type="checkbox"/>	<input type="checkbox"/>	
<u>Integrity:</u> We earn and maintain trust by responsibly managing the state's assets, acting ethically, and holding ourselves accountable for our actions.	<input type="checkbox"/>	<input type="checkbox"/>	
<u>Diversity:</u> We draw strength from our differences and work together in a spirit of teamwork and mutual respect.	<input type="checkbox"/>	<input type="checkbox"/>	
<u>Quality:</u> We pursue excellence in delivering our projects, programs, services and initiatives.	<input type="checkbox"/>	<input type="checkbox"/>	

Performance Dashboard Appraisal - Section C

Section C. Leadership Competencies

Supervisor's Instructions:

1. At the end of the performance cycle, rate each of the 9 competencies as to how effectively the employee demonstrated the competency during the performance cycle, using the rating key.
2. Check at least 3 of the 57 behaviors that may be considered as development opportunities for the employee.

Rating key: 1 = Needs Work 2 = Does Well 3 = Role Model 4 = Not observed 5 = Not applicable to the role			Check at least 3 Development Opportunities
Rating	Competencies	Behaviors	
	1. Self-Management		<input type="checkbox"/>
	2. Leading People		<input type="checkbox"/>
	3. Results Focus		<input type="checkbox"/>
	4. Strategic Focus		<input type="checkbox"/>
	5. Managing Change		<input type="checkbox"/>
	6. People Management		<input type="checkbox"/>
	7. Financial Management		<input type="checkbox"/>
	8. Collaboration/Planning		<input type="checkbox"/>
	9. Problem Solving/ Decision Making		<input type="checkbox"/>

- Leadership
- Supervisory
- Individual Contributor

Supervisor's Comments:

1. At the end of the performance cycle, provide comments concerning the employee's development progress during the performance cycle.

2. During the performance review, discuss with the employee the development opportunities checked. Development opportunities which are not listed above may also be addressed. Choose at least one development opportunity to focus on during the next performance cycle and consider preparing an Individual Development Plan.

Section C: Supervisory Competencies

- Self- Management
- Leading People
- Results Focus
- Planning & Organization
- Managing Change
- People Management
- Cost Management
- Collaboration/Partnering
- Problem Solving and Decision Making



Section C: Individual Contributor Competencies

- Interaction Skills
- Self-Management
- Planning & Initiative
- Analysis & Objectivity
- Decision Making
- Training & Coaching
- Technical & Professional Knowledge
- Leadership Potential



Performance Dashboard Appraisal - Section D

Section D. Year-End Appraisal

1. Transfer the sum of % weights that received a number rating of "1" (from Section A):

If the sum of % weights is 50% or less, go to step 2.
If the sum of % weights receiving a rating of "1" exceeds 50%,
the employee's performance does not meet expectations.
Go to step 4 and check "Does Not Meet Expectations".

2. Transfer the Combined Weighted Rating (from Section A):

Weighted Rating Scale:

1.00-1.74 = Does not meet expectations

1.75-2.74 = Meets expectations

2.75-3.00 = Exceeds expectations

If the combined weighted rating is between 1.00-1.74, the employee's performance does not meet expectations.

Go to step 4 and check "Does Not Meet Expectations"

**"Meets Expectations"
Is a Good Thing!!!**

3. Describe serious non-adherence to NCDOT values (defined as unresolved disciplinary action) that warrants lowering the overall rating:

4. **OVERALL PERFORMANCE RATING:** Check the block that reflects the employee's overall performance rating, taking into account the sum of % weights in Step 1, the combined weighted rating in Step 2, and non-adherence to NCDOT values described in Step 3:

☐ Does Not Meet Expectations

☐ Meets Expectations

☐ Exceeds Expectations

Supervisor's comments concerning the employee's overall performance:

5. Next Level Supervisor Review: Signature indicates the next level supervisor has reviewed and agrees with the employee's overall performance rating:

Next Level Supervisor's Signature:		Title:		Date:	
------------------------------------	--	--------	--	-------	--

6. Signatures indicate the supervisor and employee have discussed the year-end appraisal:

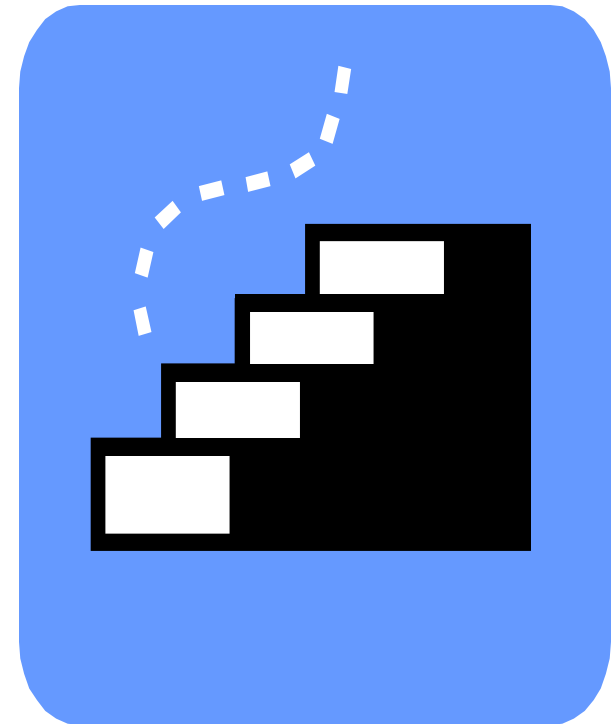
Supervisor's Signature:		Title:		Date:	
Employee's Signature		Date:			
Employee's Comments:					

Within 15 days of the date the employee signs this appraisal, the employee may have the right to appeal the overall performance rating through the Department's Performance Pay Dispute Resolution Procedures.

Next Steps

Begin CULTURE CHANGE!!!!

- Phase I: NCDOT Leadership (150)
 - New PDA: April 1, 2008
- Phase II: All NCDOT Personnel
 - New PDA
 - ◇ “Pilot”: Fall 2008
 - ◇ Real: April 2009
 - Training underway - Summer 2008



Performance and Accountability



***Measuring our performance
and reporting our successes...***



What are Performance Metrics?

A standard of measurement that is a measurable category of performance, such as

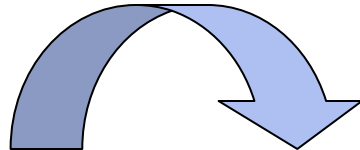
- crash rates
- employee satisfaction
- customer service
- project delivery

Performance Metrics are used to...

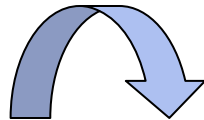
- Measure process results
- Establish goals for the organization
- Gauge performance throughout organization

Performance Metrics Should Cascade

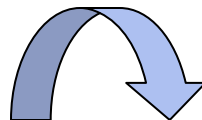
Department



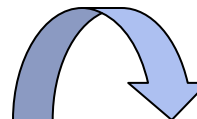
Directors



Branch Heads



Unit Heads



Employees

Performance Metrics Consist of a...

- **Measure** - results of action to be gauged related
to Mission & Goals
- **Target** - desired level of achievement
- **Weight** - level of importance (%)

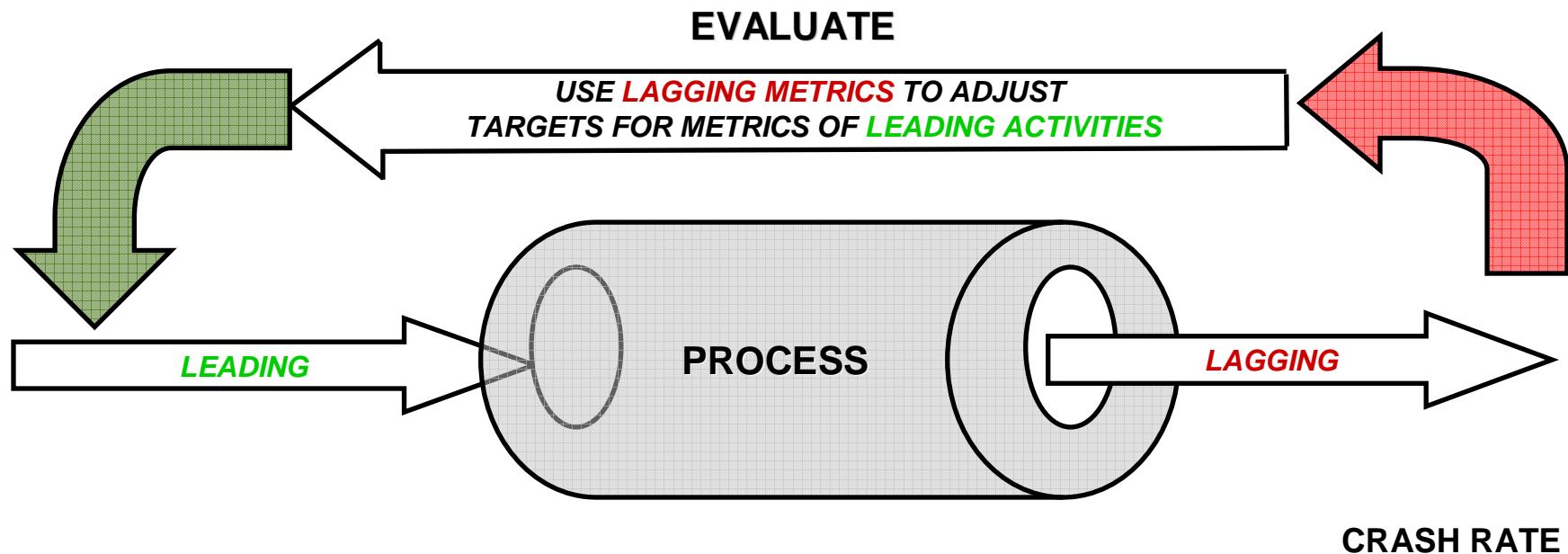
Guide for Dashboard Scorecard

Metric	Metric Data	Target	Data Source	Wt (%)
Fatalities	<i>Fatalities per 100 million vehicle miles; i.e. 1.58...this will be compared against a baseline TBD (% improvement)</i>		<i>Traffic Engineering Branch</i>	
Reliability of Strategic Highway Corridor System	<ul style="list-style-type: none"> •Average operating speeds on Strategic Highway Corridors •Travel time reliability •Congestion (Level of Service) 		<i>Transportation Planning Branch</i>	
Transit Service	<i>% Increase in Frequency of Service compared to previous year for Rail, Ferry, Public Transit, etc.</i>		<i>Transit</i>	
Department Infrastructure Health	<ul style="list-style-type: none"> - Composite Statewide Rating (Level of Service Rating) - % annual increase in value of Department infrastructure 		<i>Asset Management/Maintenance Condition Reports Financial Management Division</i>	
Projects/Programs/Services on Schedule and on Budget	<i># of projects/programs/services planned for year divided by # actual completed = % success rate</i>		<i>Program Development report from Project STaRS and/or BW, HiCAMS</i>	
Business Development and Outreach	<i>% Contract dollars awarded to DBEs, MBEs, WBEs, SBEs, & HUBs</i>		<i>SAP</i>	
Customer Service	<i>Customer survey scores (public, partners, etc.)</i>		<i>TBD</i>	
Fiscal Management	<i>% improvement of administrative budget(\$)</i>		<i>TBD</i>	
Employee Safety	<i># of reported incidents that cause lost work days and/or worker's comp claims compared to baseline, i.e previous year(\$ reported incidents</i>		<i>Safety and Loss Control</i>	
Employee Satisfaction	<i>TBD</i>		<i>Employee Survey</i>	
Recruiting, developing and retaining employees	<i>Retention rate of "Top Performers" and/or stabilization rate</i>		<i>TBD</i>	

Metrics: Leading vs. Lagging

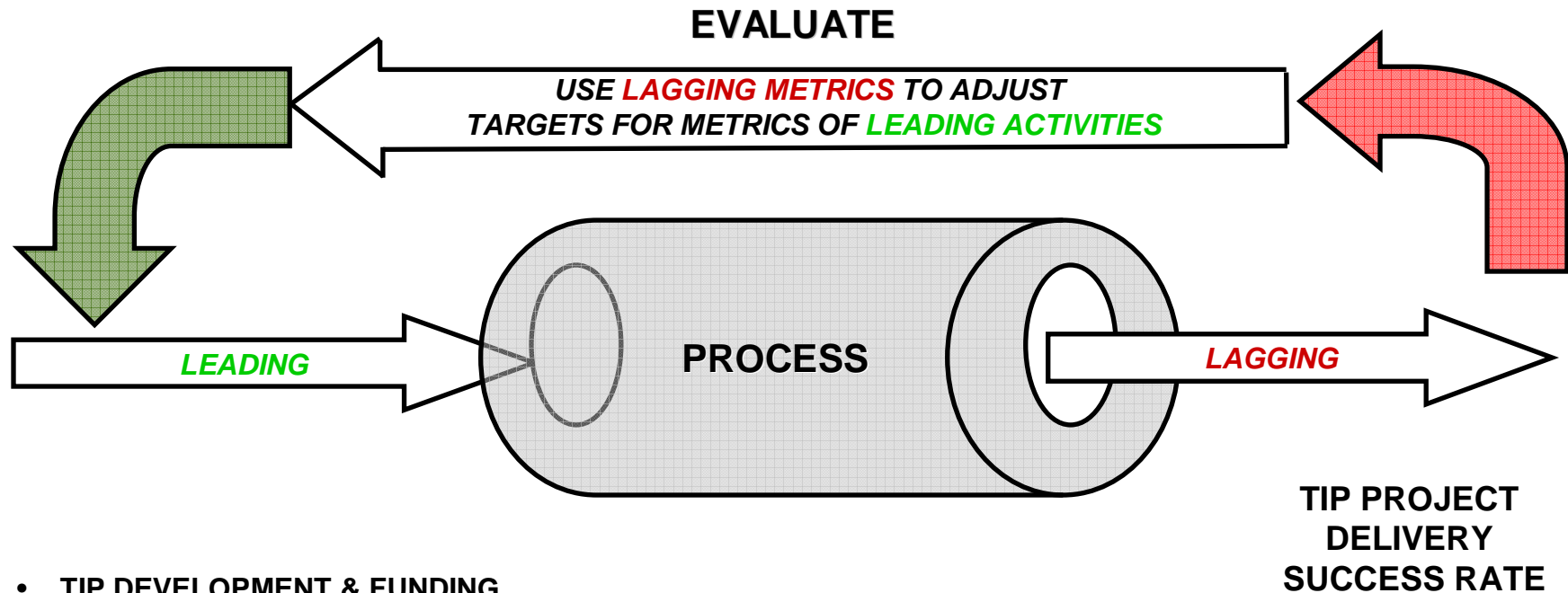
LEADING INDICATORS <i>(Input & Output)</i>	LAGGING INDICATORS <i>(Outcomes)</i>
<p>Leading Indicators are metrics that are task specific</p> <p>Leading Indicators measure and track performance before a problem arises</p> <p>Leading Indicators are <u>proactive</u></p> <p>Leading Indicators indicate what may happen (future)</p> <p>Leading Indicators are a predictor to the ability to meet future goals</p>	<p>Lagging Indicators are <u>reactive</u></p> <p>Lagging Indicators are reflective and measure performance against prior goals</p> <p>Lagging Indicators indicate what has already happened (past)</p>

Crash Rates



- IMPROVING SHOULDER DROP-OFFS
- ADDING REFLECTIVE MARKERS
- TURN LANE ADDITIONS
- LEGALLY LICENSED DRIVERS
- REDUCTION OF VMT BY USE OF ALTERNATIVE MODES
- TIMELY PROJECT DELIVERY

TIP Project Delivery



- TIP DEVELOPMENT & FUNDING
- ENVIRONMENTAL DOCUMENT COMPLETION
- DESIGN PLANS COMPLETED
- MINIMAL SCHEDULE CHANGES
- CONCURRENCE POINTS ACHIEVED
- RIGHT OF WAY PURCHASED
- TIMELY CONSTRUCTION COMPLETION

How to Interpret Metrics

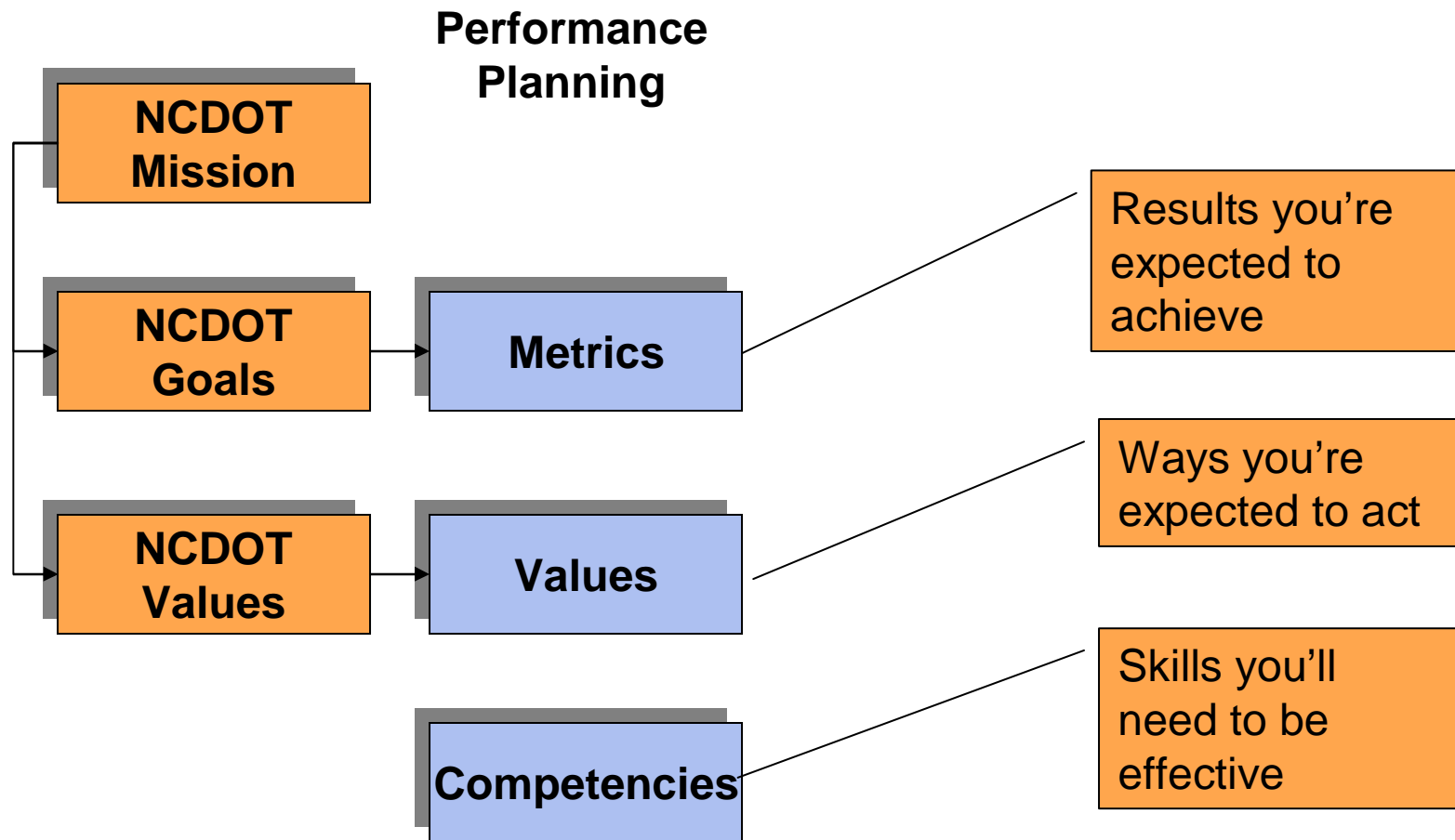
For improved organizational performance, Executives and Managers must all be able to **interpret metrics** appropriately.

To do so, they must.....

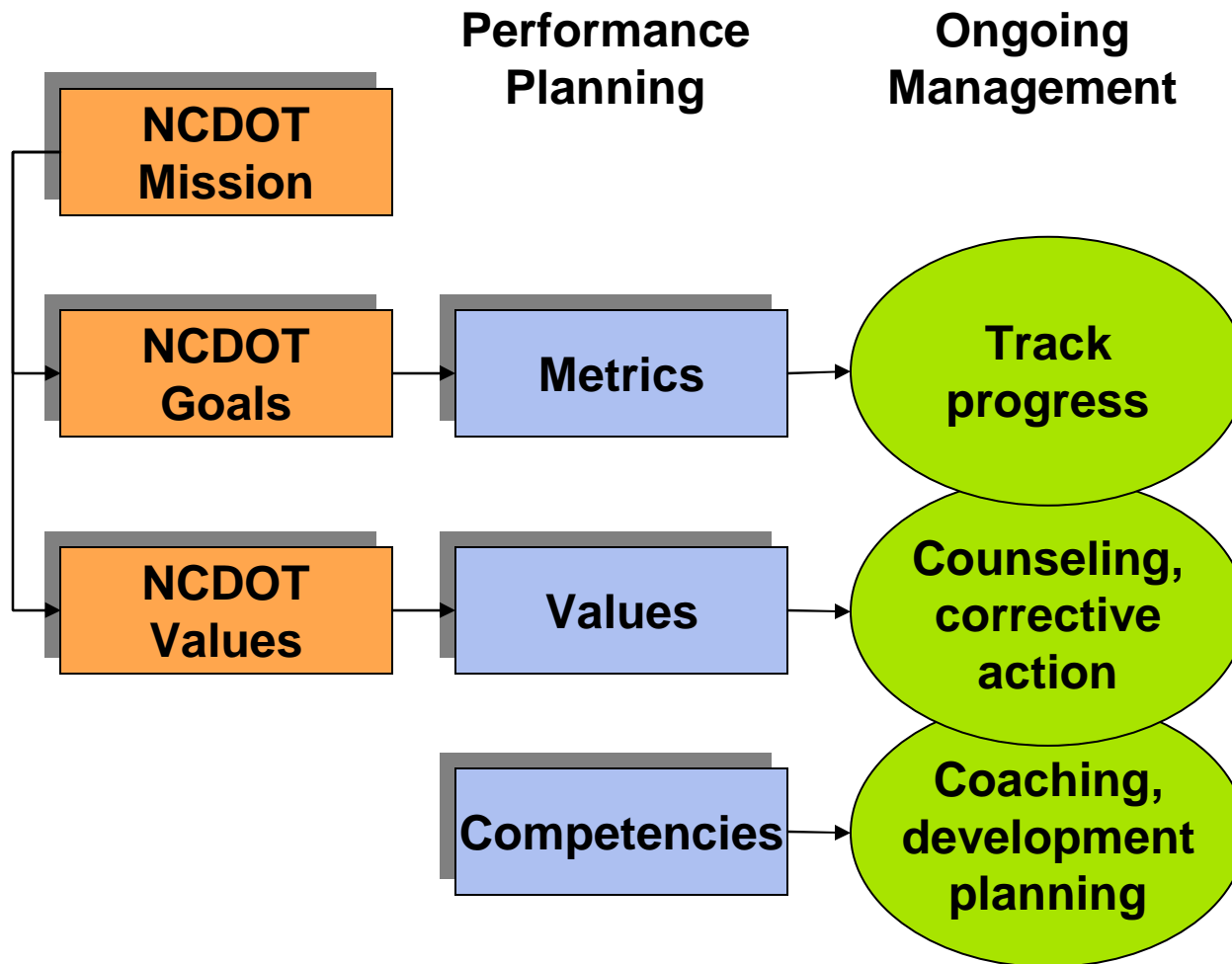
- (1) understand precisely what is being measured and the target
- (2) gauge whether the results are positive or negative based on the organization's goals
- (3) place the appropriate weight or relevance on the metrics for issues being addressed by the organization...

“Appropriately interpreting a measure and the meaning of results provides the necessary foundation for acting on those results and effecting improvement”

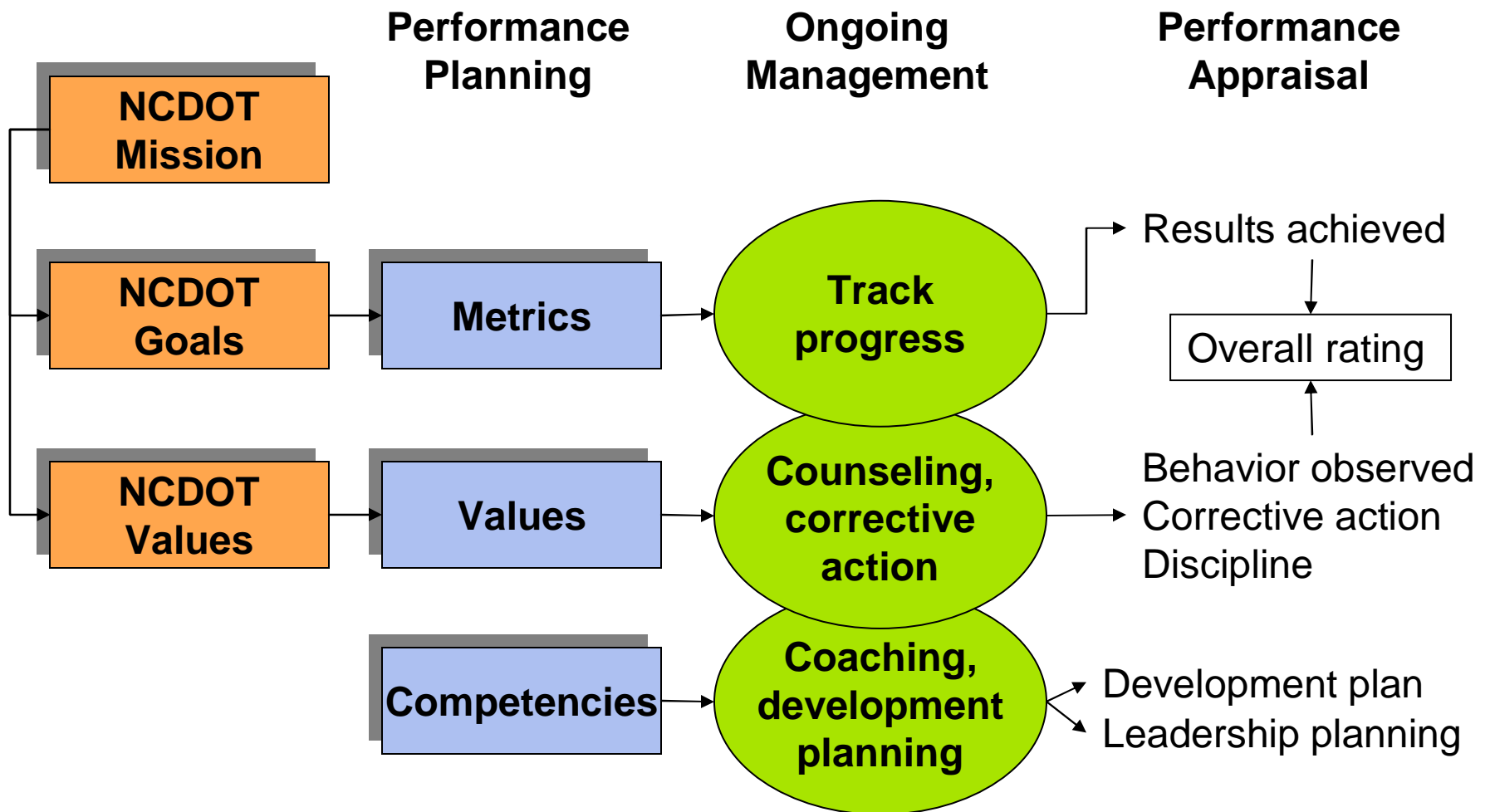
Performance Management Process



Performance Management Process



Performance Management Process



Performance Expectations

The Old

- Provide leadership to ensure safety of DOT employees, contractors and public while delivering programs
- Identify and implement strategies to recruit, develop and retain employees
- Ensure project delivery is in compliance with DOT's environmental stewardship policy
- Provides informed management control

The New

- 1.50-1.75 crash rate
- 90-95% reliability on system strategic highway corridors and regional tier routes
- B- division infrastructure health
- 85-90% delivery on schedule and on budget
- 95% of business development and outreach goals met
- 80-90% customer service score

Access NCDOT Performance Dashboard

<http://www.ncdot.org/>

The screenshot shows the NCDOT website homepage. At the top is the NCDOT logo and navigation links: About, Careers, Contact, News, and a search bar. A central banner features the 'NCDOT Organizational Performance Dashboard' with a clock icon and the tagline 'Connecting people and places in North Carolina.' Below the banner is a 'What's New' section with a red callout box that says 'Click this icon to access the NCDOT Dashboard' pointing to a clock icon. To the right of the callout are five columns of links: Divisions (Aviation, Bicycle & Pedestrian, DMV, Ferry, Highways, Public Transportation, Rail), Business Resources (Approved Product List, Directory of Trans. Firms, Electronic Forms, Project Letting, Order Plans, Order Publications), Commuters & Travelers (Construction Projects, Driver License, HOV Lanes, Road Conditions, Traffic Cameras), and Find Info Near You (a map of North Carolina and a 'Select-A-County' dropdown).

Click this icon to access the NCDOT Dashboard

NCDOT
North Carolina Department of Transportation

About | Careers | Contact | News | Search:

[Doing Business with NCDOT](#)
[Maps & Publications](#)
[Programs](#)
[Projects & Studies](#)
[Travel Information](#)

NCDOT Organizational Performance Dashboard
Connecting people and places in North Carolina.
Find out more [Click Here](#) 1 / 19

What's New

[Mission & Goals](#)
[NCDOT McKinsey Report](#)
[NCDOT Ethics Policy](#)

Divisions
[Aviation](#)
[Bicycle & Pedestrian](#)
[DMV](#)
[Ferry](#)
[Highways](#)
[Public Transportation](#)
[Rail](#)

Business Resources
[Approved Product List](#)
[Directory of Trans. Firms](#)
[Electronic Forms](#)
[Project Letting](#)
[Order Plans](#)
[Order Publications](#)

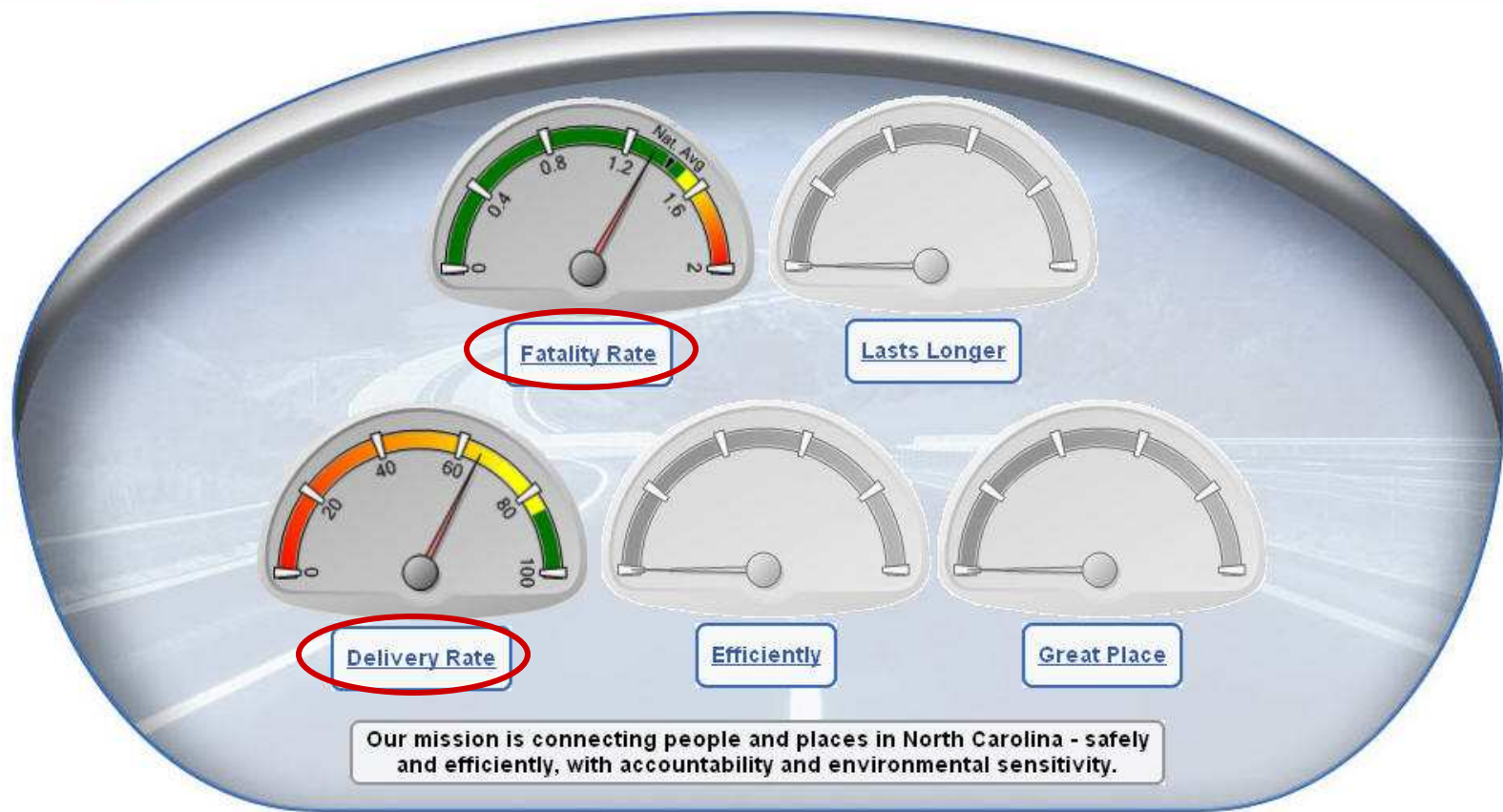
Commuters & Travelers
[Construction Projects](#)
[Driver License](#)
[HOV Lanes](#)
[Road Conditions](#)
[Traffic Cameras](#)

Find Info Near You
Click the map for regional information or


NCDOT Performance Dashboard - Ultimate

Visual Representation of Overall Health of an Organization

NCDOT Organizational Performance Dashboard



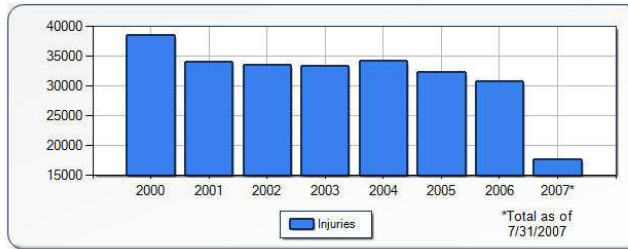
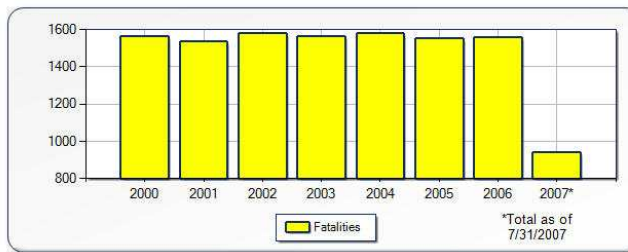
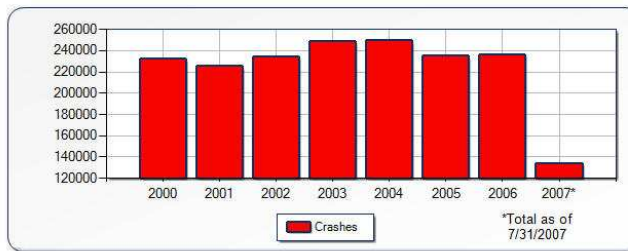
Click this link to get information that supports inactive gauges

[More information on NCDOT's transformation and organizational performance efforts.](#)

“Make Our Transportation Network Safer”

Crash Details statewide

Filter By:
Statewide



Yearly Statistics

	2000	2001	2002	2003	2004	2005	2006	2007*
Crashes	231647	225607	234478	248564	249155	234816	236326	133556
Fatalities	1561	1533	1577	1561	1578	1550	1555	936
Injuries	38464	34070	33424	33337	34213	32192	30766	17547
VMT (100MM) ₁	892.46	915.71	936.86	937.63	956.27	1008.61	1016.48	610.14
	259.56	246.37	250.28	265.1	260.55	232.81	232.49	218.89
Crash Rate	1.75	1.67	1.68	1.66	1.65	1.54	1.53	1.53
Fatality Rate	43.1	37.21	35.68	35.55	35.78	31.92	30.27	28.76
Injury Rate								

1: VMT=Vehicle Miles Traveled, MVM=Million Vehicle Miles.

* Total Year to Date

Data current as of 7/31/2007.

[More information on how we get these numbers.](#)

Click this link to learn how we got these numbers

“Make Our Organization a Place that **Works Well**”

Delivery Rate

This page displays the Department's success rate for delivering the Transportation Improvement Program (TIP) and environmental compliance programs. These items are indicators of how well the Department is delivering its planning, design, construction and maintenance activities while protecting the state's natural resources.

TIP Preconstruction

% of Plans Completed and Bids Opened On time:



% Right of Way Acquisitions Begun On Time:



TIP Construction

% Active Construction Projects On Schedule:



% Active Construction Projects on Budget:



Environmental

Average State Environmental Inspection Score:




More information on [how we get these numbers](#).

For questions / comments regarding the Delivery Rate section of the NCDOT Dashboard please [Contact Us](#).

**Click this link to
learn how we get
these numbers**

NCDOT Performance Dashboard - Interim

NCDOT Organizational Performance Dashboard



Highlights:

- Check back for updates to this website. The next phase includes a series of Dashboards that report the DOT's performance in meeting our goals.
- For questions / comments regarding the NCDOT Dashboard please [Contact Us](#).

- [News & Updates](#)
- [McKinsey & Company Report](#)
- [Mission & Goals](#)
- [Values](#)

+ **News & Updates:**






+ **McKinsey & Company Report:**

- **Mission & Goals:**

Mission:

Connecting people and places in North Carolina - safely and efficiently, with accountability and environmental sensitivity.

Goals:

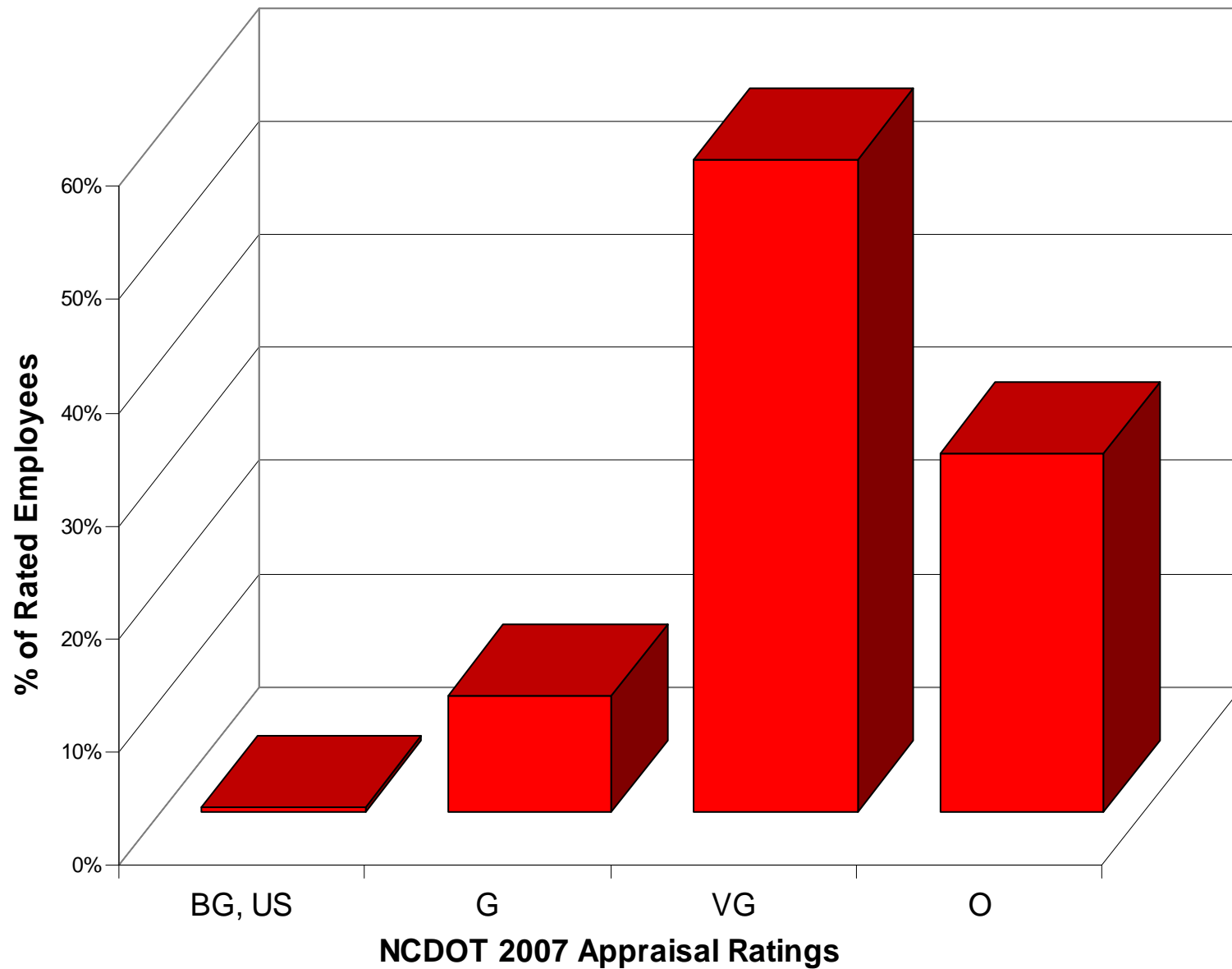
- **Make our transportation network *safer***
 -  [5 Year Crash Fatality Statistics](#)
 -  [Fatality Information \(Crash Report\)](#)
- **Make our transportation network move people and goods more *efficiently***
 -  [Congestion Areas](#)
 - [Strategic Highway Corridors](#)
 - [Travel Information \(TIMS\)](#)
- **Make our infrastructure *last longer***
 -  [Executive Summary Report, 2006](#)
 - [Full Maintenance Condition Report](#)
- **Make our organization a place that *works well***
 - [Continuous Process Improvement Program \(CPI\)](#)
 - [Construction Progress Report](#)
 -  [Money Spent on Construction Projects, 2007](#)
- **Make our organization a *great place to work***
 - [Current Job Postings](#)
 - [Employee Newsletter, In the Loop](#)
 - [Office of State Personnel Employee Compensation Calculator](#)

79

“DRAFT” Metrics – Division Engineer

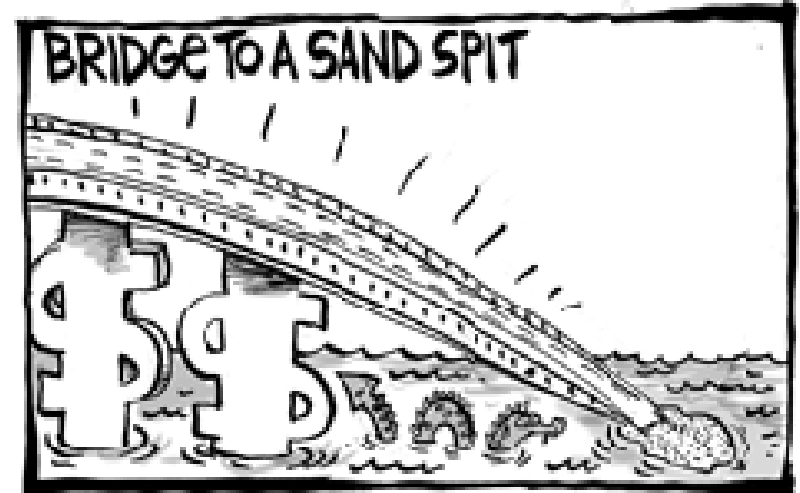
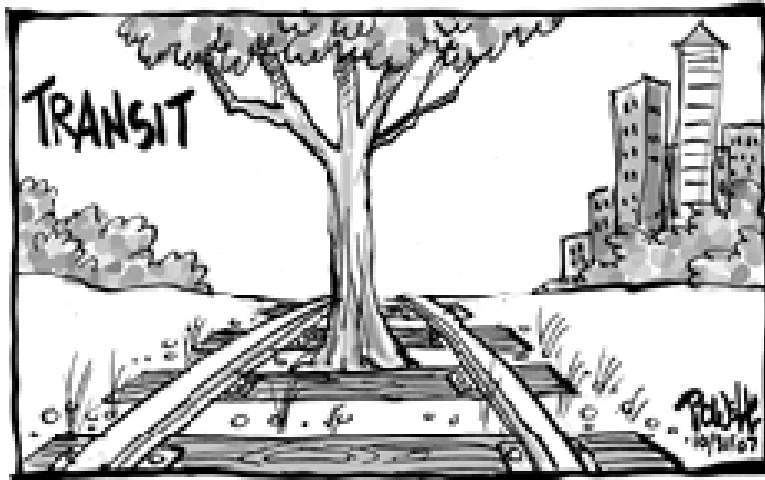
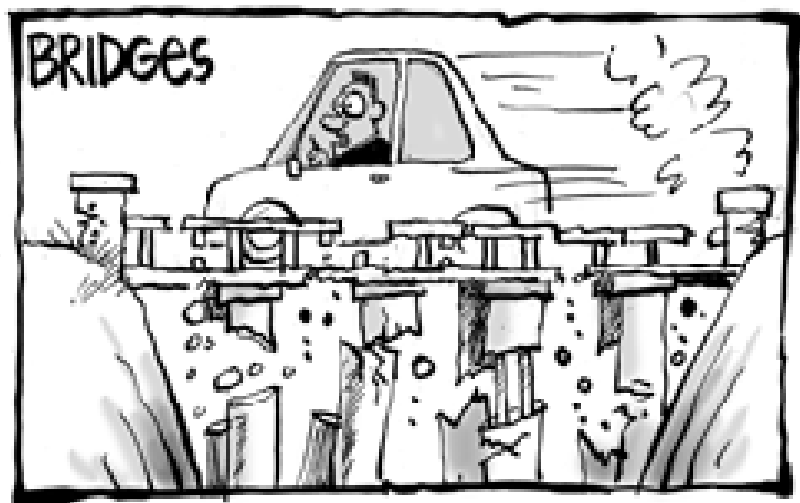
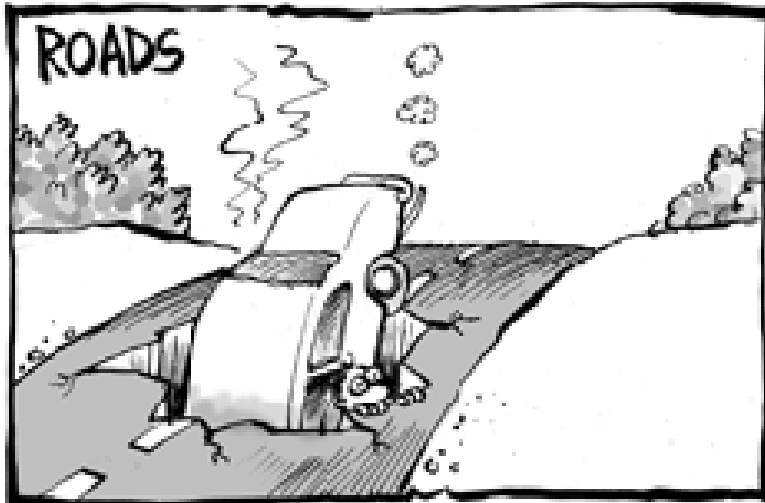
	METRIC	METRIC DEFINITION	TARGET	DATA SOURCE	SUB WT.	WT (%)
Safer	Crash Rate	Reduce 5 Yr. Division Avg. (Crash Rate per 100M VMT)	+/- % Division Rate	Traffic Eng.		5
	System Reliability		Composite			5
Efficiently	A) Incident Clearance (30%)	% of Incidents Cleared within Standard on Statewide Tier Only	70-85%	TIMS	1.5	
	B) Signal Timing and Maintenance (70%)	% of Signals Meeting Timing and Maintenance Standards	80-94%	Signal Management System	3.5	
	Infrastructure Health & Performance		Composite			40
Last Longer	A) Infrastructure Health (70%)	Improve Div. Index Score (3 year avg.) toward Statewide Goal of 77	+ / - 2 pts. Min. D on MCA and Pymt.	Asset Management	28	
	B) Facility Health (10%)	Division Avg. Condition Scores of Rest Areas and Welcome Centers	90-92	Asset Management/REU	4	
	C) Construction Quality (20%)	% of TIP & Centrally Let Projects Meeting Construction Quality Index Standard	70-85	Construction Unit	8	
	Programs/Projects/Services Meeting Standards		Composite			40
Works Well	A) Projects and Programs on Schedule (40%)	1) % Central Let Projects Completed on Time (40%)	70-85%	HICAMS	6.4	
		2) % Div. Let/Built Projects Completed on Time (30%)	70-85%	SAP	4.8	
		3) % TIP Preconstruction Activities on Time (30%)	70-85%	SAP/STARS	4.8	
	B) Projects and Programs on Budget (40%)	1) % Central Let Projects Meeting Budget Standard (40%)	70-85%	HICAMS, BWV	6.4	
		2) % Division Projects Meeting Budget Standard (25%)	70-85%	SAP BWV	4.0	
		3) % of Total Operations Budget Spent/Committed (35%)	85-97 103-105	SAP	5.6	
	C) Business Outreach (10%)	1) % Increase in Federal DBE Payout – 3 Yr. Avg. (35%)	+/- 10% Div Actual	SAP	1.4	
		2) % Increase in State MB/WB Payout – 3 Yr. Avg. (65%)	+/- 10% Div Actual	SAP	2.6	
	B) Erosion Control/Permit Compliance (10%)	Division Avg. Score for Construction and Maintenance Projects	7.5-8.8% - No NOV's & No More Than 2 Repeat ICA's	Asset Management	4.0	
Great Place to Work	Employee Safety	Division Employee Safety Index – 3 Yr. Average	9.75-5.96	Safety and Loss		10

How We See Our Own Performance



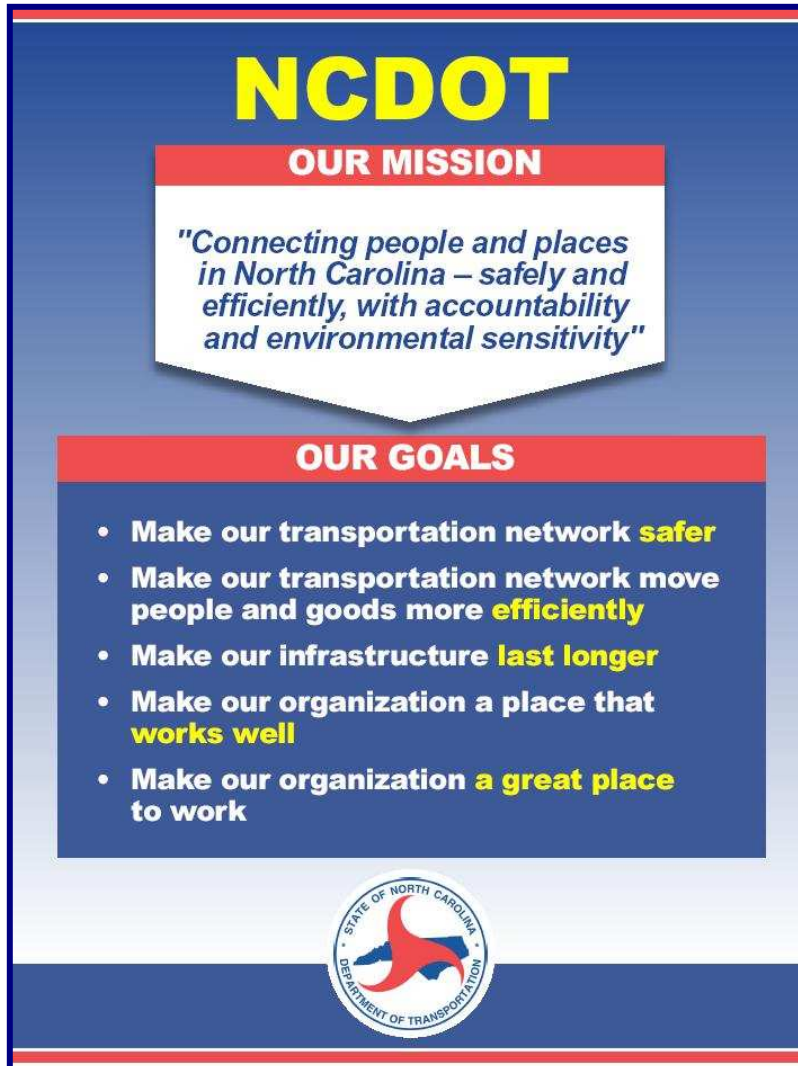
How Our Customers See Our Performance

N.C. TRANSPORTATION NEEDS —



Dwane Powell, News & Observer,
October 31, 2007

It all comes back to....



- Working together for a common purpose
- Planning and prioritizing our work
- Delivering our projects & programs effectively
- Measuring our performance
- Developing our employees

Fulfilling our role of
“Connecting People and
Places in North Carolina”

NCDOT Transformation Update for Joint Legislative Transportation Oversight



Presented by
Roberto Canales, P.E.

March 18, 2008

NCDOT Transformation Update

- Transformation Approach – Roberto Canales, PE
- Key Transformation Initiatives – Roberto Canales, PE
- Strategic Direction – Mark Tyler, PMP
- Planning and Prioritization – Joey Hopkins, PE
- Program and Project Delivery – Terry Gibson, PE
- Performance and Accountability – Victor Barbour, PE
- Improved Human Resources – Anthony Roper, PE
- Closing & Open Discussion – Roberto Canales, PE

NCDOT Transformation Approach

- McKinsey Diagnostic identified key transformation initiatives
- McKinsey trained NCDOT TMT staff
- Leveraged Proven Management Practices
 - General Electric
 - SAS
 - Office of State Personnel
 - UNC-Healthcare
 - Other State DOT's
 - Other NC State Agencies
- In Depth Analysis: Workstreams
- Engaged staff across organization
- Outreach to partners
 - MPO's
 - League of Municipalities
 - Association of County Commissioners
 - Industry Partners (AGC, ACEC)
 - FHWA

Key Transformation Initiatives

Strategic Direction

Planning and Prioritization

Program and Project Delivery

Performance and Accountability

Improved Human Resource Mgt

Alignment of Strategic Direction with New Mission and Goals

- ✓ New Mission, Goals and Values
- ✓ Strategic leadership roles identified
- ✓ Completed comprehensive organizational assessment of all business units

NCDOT

OUR MISSION

*Connecting people and places
in North Carolina – safely and
efficiently, with accountability
and environmental sensitivity*

OUR GOALS

- Make our transportation network **safer**
- Make our transportation network move people and goods more **efficiently**
- Make our infrastructure **last longer**
- Make our organization a place that **works well**
- Make our organization **a great place to work**



OUR VALUES

- **SAFETY** - We strive for safety throughout our transportation networks as well as in our work and our daily lives.
- **CUSTOMER SERVICE** - We respond to our customers, both internal and external, in an open, professional and timely manner.
- **INTEGRITY** - We earn and maintain trust by responsibly managing the states assets, acting ethically, and holding ourselves accountable for our actions.
- **DIVERSITY** - We draw strength from our differences and work together in a spirit of teamwork and mutual respect.
- **QUALITY** - We pursue excellence in delivering our projects, programs, services and initiatives.

Strategic Leadership Roles Identified

- ✓ Top 150 Leadership roles identified
 - **40 Leadership**
 - **110 Subordinates**
- ✓ Chief Operating Officer
- ✓ Strategic Planning Director
- ✓ Inspector General
- ✓ Bridge Program Manager
- ✓ Talent (HR) Strategist

Status

- Existing roles and positions
 - **Leadership planning**
 - **Accountability**
- Position requirement developed
 - **Chief Deputy Secretary position to transition to (**
- Position approved and filled
- Position approved
- Bridge Maint. role being modified
- Position approved

Business Unit Assessment

- ✓ Completed Comprehensive Organizational Assessment of All Business Units (BU):
 - Mission
 - End Products
 - Cost to Produce End Products
 - Efficiencies

Status

- **Deep Dive**
 - Issues cross multiple BU
 - Facilitated by the TMT staff
 - TIP Delivery, Bridge, Mobility
- **Internal Efficiency**
 - Internal efficiencies proposed by BU
 - Facilitated by the BU itself
 - TMT member assigned to ensure completion
- **Training Opportunity**
 - Budget Accountability training
 - Project Management training
 - Managerial/Leadership training
- **Procedural Changes**
 - Suggestions for procedural changes

Business Unit Assessment

“Deep Dive”

Deep Dive

✓ Office of Inspector General

Status

- **NC HB Bill 1401, Internal Audit Act**
 - Established the Council of Internal Auditing
 - Requires the appointment of Audit Director that will report to agency head
- **NC HB 1551, State Government Accountability and Internal Control Act**
 - Establishes that the management of each agency bears full responsibility for establishing and maintaining proper internal controls
- **2006 Office of State Auditor Performance Report**
 - Significant Difficulties Completing Audits and Reports
 - Audit Plan not Risk based
 - Lack of Compliance with Peer Review recommendations
- **Organization Restructuring**

Business Unit Assessment

“Deep Dive”

Deep Dive

- ✓ Information Technology Assessment

Status

- Priorities / Governance
 - Aligned with Business Strategy
 - Technology Investment Decision
 - Project Monitoring & Oversight
- Data Integration
 - Improved Management Reporting
- Communication
- Technology Procurement
- Accountability
- Organization Restructuring

Strategic Direction

Business Unit Assessment

“Deep Dive”

Other “Deep Dive”

- ✓ **Bridge Program**
- ✓ **TIP Program**
- ✓ **Mobility Program**
- ✓ **Program/Project Delivery**
- ✓ **Transportation Planning**

Diagnostic Findings

- Lack of formalized statewide, department-wide, long-term thinking, planning, and executing
- Little relationship exists between Department goals and staff level job duties and performance
- Too many, poorly selected priorities dilute focus, overtax resources, and slow delivery

Accomplishment

- ✓ Developed framework for strategic planning that aligns with mission and goals and is renewable
- ✓ Established new prioritization approach based on strategic priorities
- ✓ Introduced departmental leaders and stakeholders to conceptual strategic planning and prioritization process

Key Deliverables

- Further Development of Strategic Planning and Prioritization Processes
- Continued Communication of Strategic Planning and Prioritization Processes to Key Stakeholders
- Continue Pilot of Action Planning Process
- Pilot Strategic Planning Process for Business Units

NCDOT'S Strategic Planning Design Principles

Monitor, Evaluate and Adjust Using Performance Metrics



Steps in Strategic Planning Process

Strategic Direction **8 year**

- Assess Performance and Current and Future Operating Environment
- Develop Aspirations and Initiatives
- Gather Stakeholder Input
- Revisit Vision, Mission, Goals, Objectives, and Targets
- Update Long-Range Statewide Multimodal Transportation Plan

Strategic Prioritization **2 year**

- Assess Performance and Current and Future Operating Environment
- Identify Needs (Business Unit and Transportation Infrastructure)
- Rank Needs (Projects, Services, Programs, and Initiatives) in Priority Order by Category
- **Consolidate, Evaluate, and Finalize Priorities (Unrestricted)**
- **Balance Funding with Priorities (Restricted)**
- **Finalize Budget Request and Draft and Final STIP**

Action Plan **1 year**

- Review and Evaluate Performance
- Develop Draft Action Plan
- Finalize Action Plan and Launch
- Monitor Progress

Accomplishments

- ✓ Created Strategic Planning Office (SPOT)
- ✓ Hired Strategic Planning Director

Primary Functions

- Drive planning process
- Provide analysis of external environment and internal capabilities
- Provide information and recommendations on DOT priorities
- Collect, maintain, update and benchmark external environment data and best practices

Diagnostic Findings

- Project design and delivery processes have been slowed by a lack of prioritization, accountability and coordination
- Organizational structure “silos” some of the key processes
- Internal and external communication systems have not been sufficiently proactive
- Budget resources may not have been adequately allocated to be effective

Develop more efficient and effective business processes

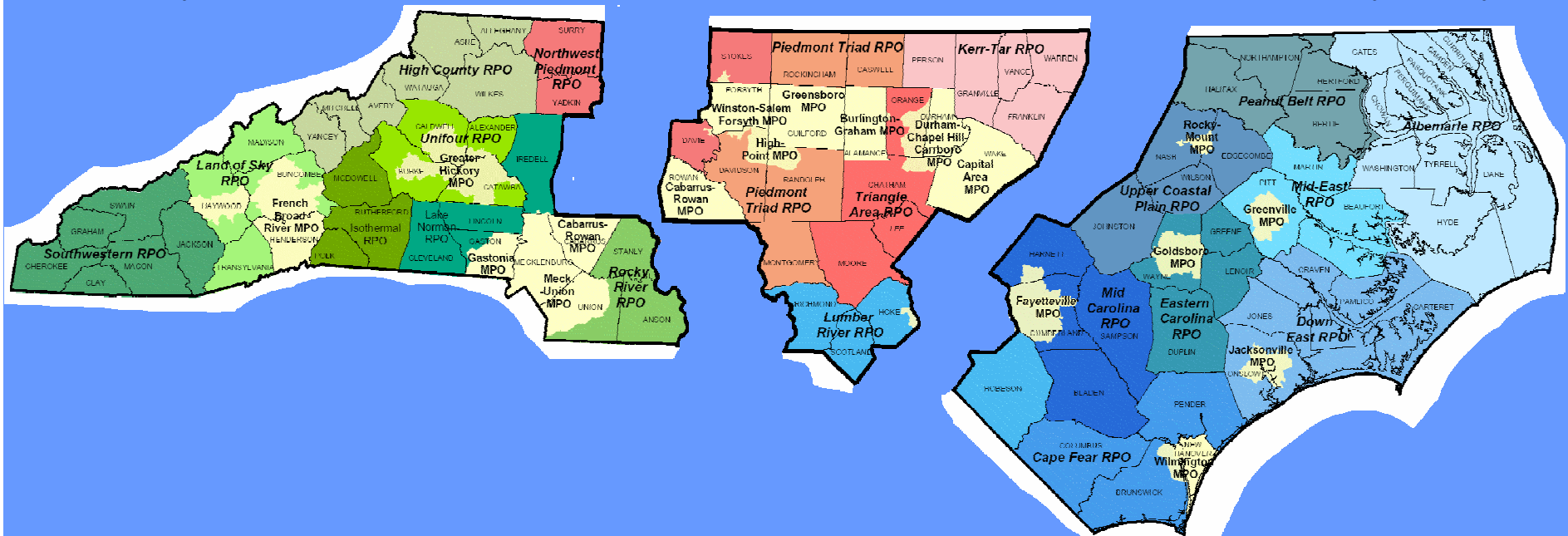
- Bridge Program
- TIP Program
- Mobility Program
- Program / Project Delivery
- Transportation Planning

- **Bridge Program Efficiency (in progress)**
 - Cut time by Two Years
 - Instituted Regional Teams
 - Developed on-site Scoping
 - Standard Design
 - Group Lettings
 - All resulting in Cost and Time Savings
- **TIP Projects**
 - Regionalization of Pre-Construction Functions to create teams
 - Piloting New Project Delivery Models on Select TIP Projects
 - Developing a realistic two-tier TIP

Program & Project Delivery

Program & Project Delivery

Region	Western	Central	Eastern
Division	10,11,12,13,14	5,7,8,9	1,2,3,4,6
STIP Staff	Van Argabright	Mike Stanley	Ray McIntryre
PDEA Staff	Teresa Hart	Eric Midkiff	Rob Hanson
Roadway Staff	Scott Blevins	Ron Allen	Dewayne Sykes



- **Piloting New Project Delivery Models**
 - Project Executives
 - Project Executives with formal teams
 - Tri-technical Managers
- **Develop two tier TIP – Developmental / Delivery**
 - Provides a measurable TIP with realistic delivery dates
 - Establishes delivery expectations and budget constraints
 - Sets achievable project expectations

- **Mobility Program**
 - Establishing Standard Measures of Congestion to Allow Prioritization of Mobility Needs
 - Identifying Alternative Multi-modal Approaches to Manage Congestion
 - Exploring Alternative Approaches to Planning for Future and Managing Existing Mobility Needs
- **Program Project Delivery**
- **Transportation Planning**

Diagnostic Findings

- ✓ **There has been some implementation of performance management measures within business units, but those efforts are not explicitly linked to NCDOT nor other business unit priorities**
- ✓ **NCDOT's ad hoc nature of existing performance indicators sometimes leads to conflicting needs between units**

Accomplishments to Date

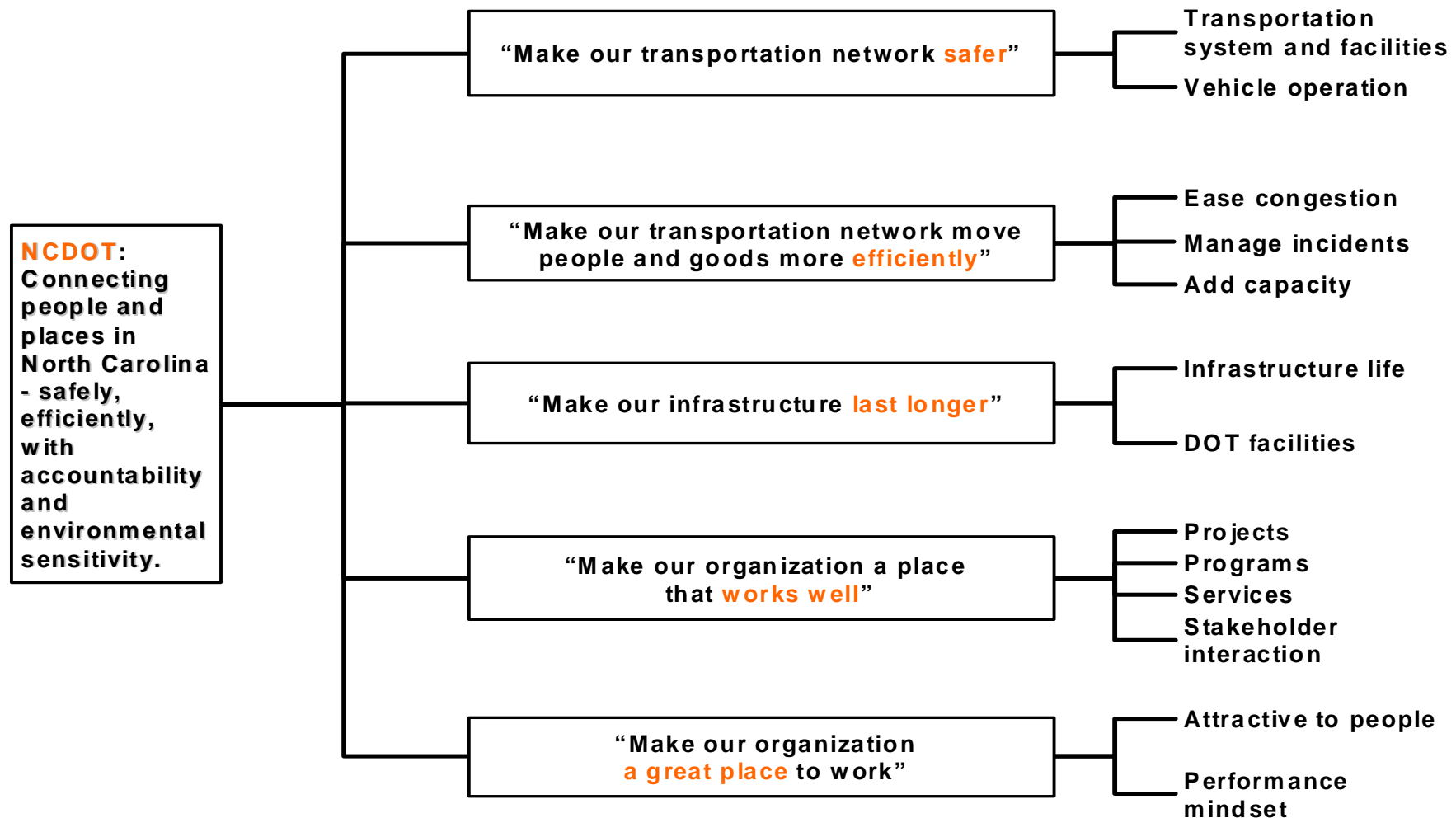
- ✓ Developed NCDOT's **Value Tree** based on department's new mission and goals
- ✓ Developed **Key Performance Indicators** that align with new mission and goals
- ✓ Developed Performance **Metrics** for department leaders that align with new mission and goals
- ✓ Implemented preliminary public facing Executive Dashboard aligned with our mission and goals

Key Deliverables - Next 12 Months

- Complete development of performance targets for all goals
- Develop performance metrics for all NCDOT employees
- Educate all employees on new performance culture
- Develop a robust Executive Dashboard that will show progress towards accomplishing performance outcomes

NCDOT HIGH-LEVEL VALUE TREE

with Key Performance Indicators (KPIs)



Performance & Accountability

NCDOT Performance Dashboard

<http://www.ncdot.org/>

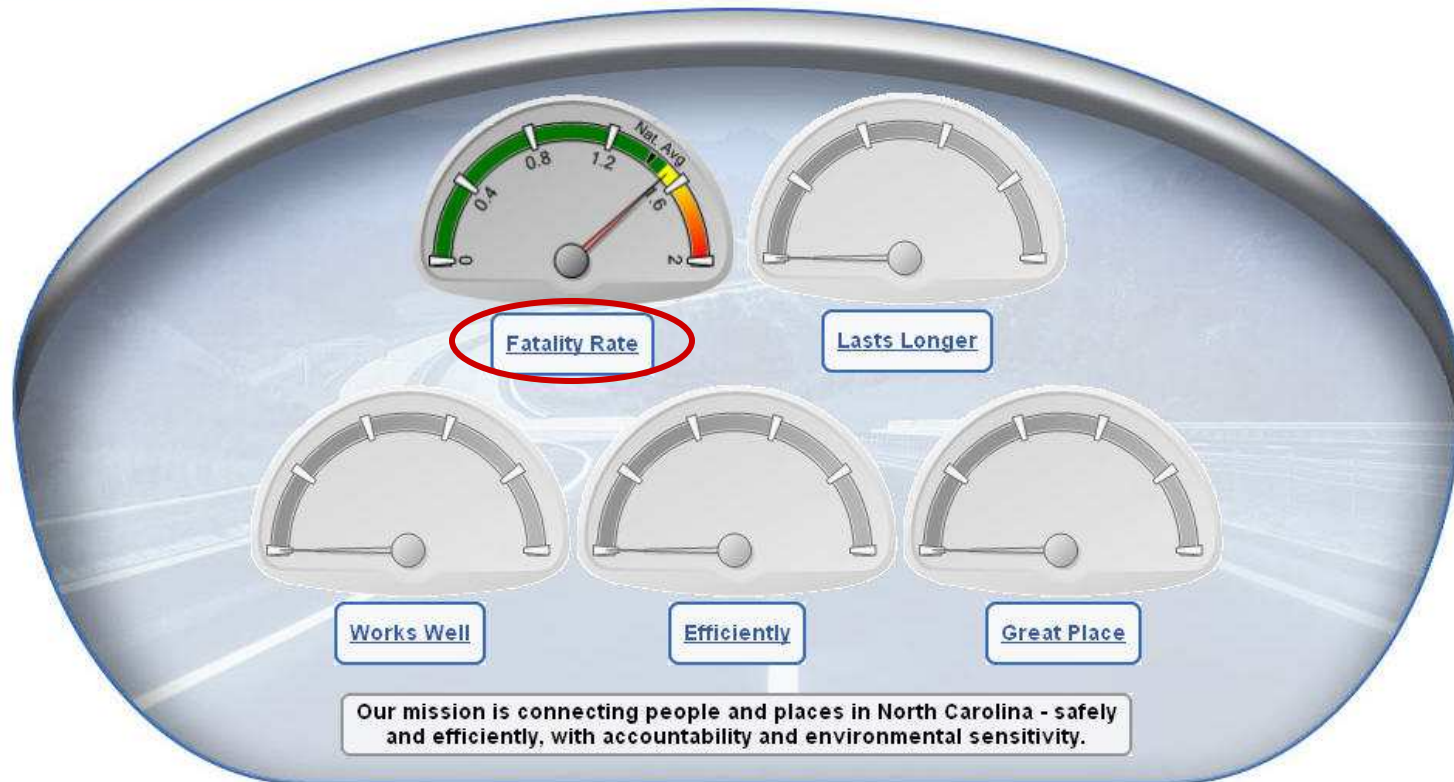
The screenshot shows the NCDOT website with the following elements:

- Header:** NCDOT North Carolina Department of Transportation. Navigation links: About | Careers | Contact | News | Search! NCDOT.
- Left Sidebar:** A vertical menu with links: [Doing Business with NCDOT](#), [Maps & Publications](#), [Programs](#), [Projects & Studies](#), and [Travel Information](#).
- Main Content Area:** A large banner for the "NCDOT Organizational Performance Dashboard" with the tagline "Connecting people and places in North Carolina." It features a clock icon and a "Click Here" link. A red arrow points from the text "Click this icon to access the NCDOT Dashboard" to the clock icon.
- Footer/Bottom Section:** Five columns of links:
 - What's New:** [NCDOT McKinsey Report](#), [NCDOT Ethics Policy](#).
 - Divisions:** [Aviation](#), [Bicycle & Pedestrian](#), [DMV](#), [Ferry](#), [Highways](#), [Public Transportation](#), [Rail](#).
 - Business Resources:** [Approved Product List](#), [Directory of Trans. Firms](#), [Electronic Forms](#), [Project Letting](#), [Order Plans](#), [Order Publications](#).
 - Commuters & Travelers:** [Construction Projects](#), [Driver License](#), [HOV Lanes](#), [Road Conditions](#), [Traffic Cameras](#).
 - Find Info Near You:** "Click the map for regional information or" followed by a map of North Carolina and a "Select-A-County" dropdown menu.

Performance & Accountability

NCDOT Performance Dashboard

NCDOT Organizational Performance Dashboard



[More information on NCDOT's transformation and organizational performance efforts.](#)

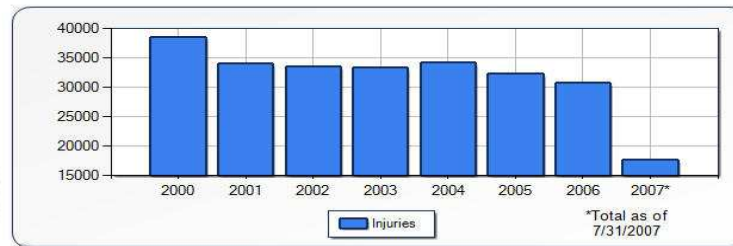
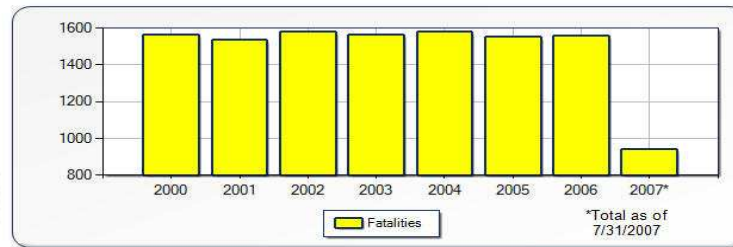
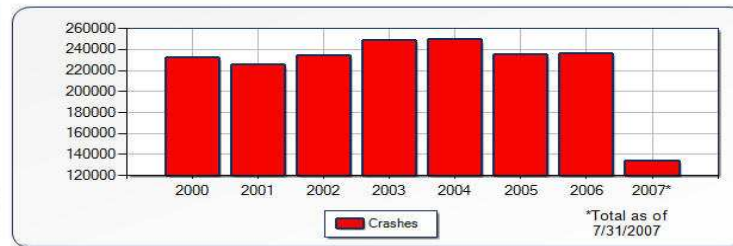
Represents Overall Health of the Organization

Performance & Accountability

Make Our Transportation Network “Safer”

Crash Details statewide

Filter By:
Statewide



Yearly Statistics

	2000	2001	2002	2003	2004	2005	2006	2007*
Crashes	231647	225607	234478	248564	249155	234816	236326	133556
Fatalities	1561	1533	1577	1561	1578	1550	1555	936
Injuries	38464	34070	33424	33337	34213	32192	30766	17547
VMT (100MVM)¹	892.46	915.71	936.86	937.63	956.27	1008.61	1016.48	610.14
	259.56	246.37	250.28	265.1	260.55	232.81	232.49	218.89
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Injury Rate								

¹: VMT=Vehicle Miles Traveled, MVM=Million Vehicle Miles.

* Total Year to Date

Data current as of: 7/31/2007

More information on [how we get these numbers.](#)

Performance and Accountability

Performance and Accountability

PERFORMANCE METRICS
FOR N.C. DEPARTMENT OF TRANSPORTATION

WORKING DRAFT 10/23/07

SECRETARY OF TRANSPORTATION

	Metrics	Definition of Measure/Comments
"Make our transportation network safer"	<ul style="list-style-type: none"> Fatalities 	<ul style="list-style-type: none"> % improvement in fatalities compared to national goal of 1.0 fatality per 100 million vehicle miles traveled
"Make our transportation network move people and goods more efficiently"	<ul style="list-style-type: none"> Reliability on the System Strategic Highway Corridors and Regional Tier Routes Transit Service 	<ul style="list-style-type: none"> Average operating speeds on Strategic Highway Corridors (SHC) Travel time reliability - standard deviation of average commuter time in selected urban areas % Decrease in congestion % Increase in frequency of service
"Make our infrastructure last longer"	<ul style="list-style-type: none"> Department Infrastructure Health 	<ul style="list-style-type: none"> Statewide Level of Service scores for facilities (assets) % Increase in value of Department infrastructure
"Make our organization a place that works well"	<ul style="list-style-type: none"> Projects/Programs/Services on Schedule and on Budget Business Development and Outreach Customer Service Fiscal Management 	<ul style="list-style-type: none"> % of projects/programs/service administered, managed and constructed on schedule and on budget (Planned vs. Actual) % of solicitations sent to, % of bids received from, & % of contract dollars awarded to DBEs, MBEs, WBEs, SBEs, and HUBs Customer survey scores (public, partners, etc.) % improvement of existing administrative budget
"Make our organization a great place to work"	<ul style="list-style-type: none"> Employee Safety Employee Satisfaction Recruiting, Developing and Retaining Employees 	<ul style="list-style-type: none"> Number of incidents, lost work days, worker's comp claims Employee satisfaction survey composite score Retention rate of "Top Performers" and/or stabilization rate

Performance and Accountability

Performance and Accountability

DASHBOARD SCORECARD

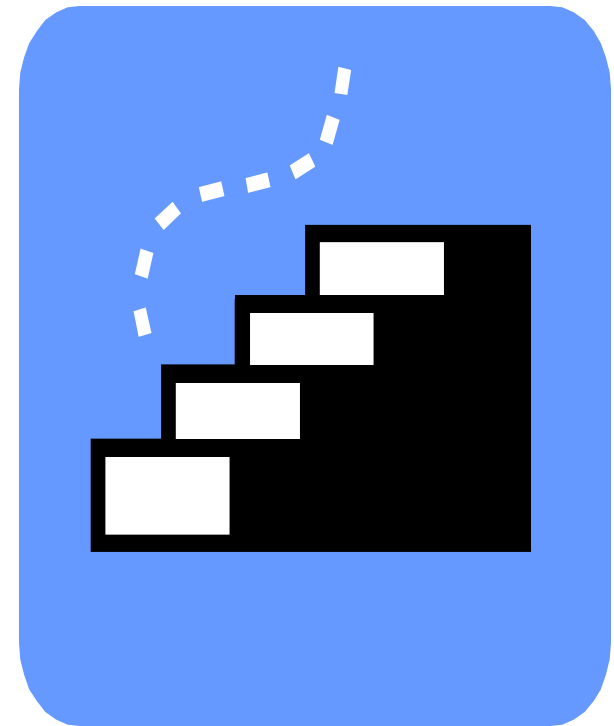
WORKING DRAFT 10/23/07

STATE HIGHWAY ADMINSTRATOR

Metric	Metric Data	Target	Data Source	Wt (%)
Crash Rates	<i>Crashes per 100 million vehicle miles; this will be compared against a baseline TBD (% improvement)</i>	238-230	<i>Traffic Engineering Branch</i>	5
Reliability of Strategic Highway Corridor System	<ul style="list-style-type: none"> -Average operating speeds on Strategic Highway Corridors (SHC) -Travel time reliability - Congestion (Level of Service) 		<i>Transportation Planning Branch</i>	
Statewide Infrastructure Health	<i>Composite Statewide Rating (Level of Service Rating)</i>	C- to C	<i>Asset Management -Maintenance Condition Reports</i>	30
Programs/Projects/Services on Schedule and on Budget	<i># of programs/projects/services planned for year divided by #actual completed = % success rate</i>	70-89%	<i>Program Development report from STaRS and / or BW, HiCAMS</i>	35
Business Development and Outreach	<i>% Contract dollars awarded to DBEs, MBEs, WBEs, SBEs, & HUBs</i>	70-89%	SAP	10
Customer Service	<i>Customer Survey Scores</i>	70-89%	TBD	10
Fiscal Management	<i>% Improvement in Administrative Budget</i>	90-95%	TBD	5
Employee Safety	<i># of reported incidents that cause lost work days and / or worker's comp claims compared to baseline, i.e previous year(s) reported incidents</i>	6.1-7	<i>Safety & Loss Control</i>	5
Employee Satisfaction	<i>Employee Survey</i>		TBD	
Recruiting, Developing and Retaining Employees	<ul style="list-style-type: none"> - % retention of employees that continuously meet or exceed expectations on their PDA's - Overall % of employees retained at the end of cycle vs. # of employees at beginning of cycle. (Retirement or positive movement within the Dept. does not negatively affect rating) 		TBD	

New Performance Expectations Begin

- Top 150 Managers – April 2008
- All NCDOT Personnel – April 2009



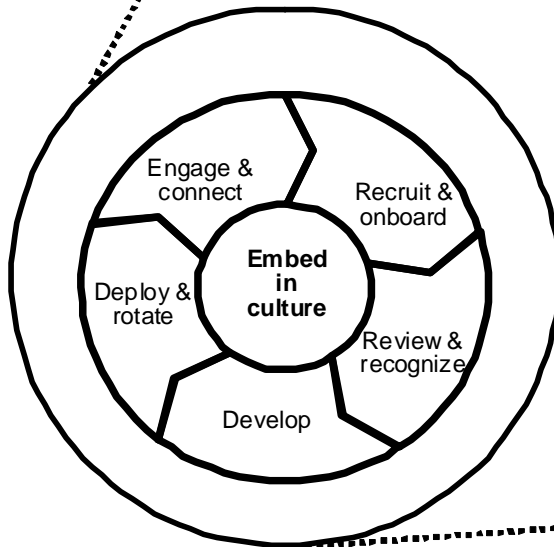
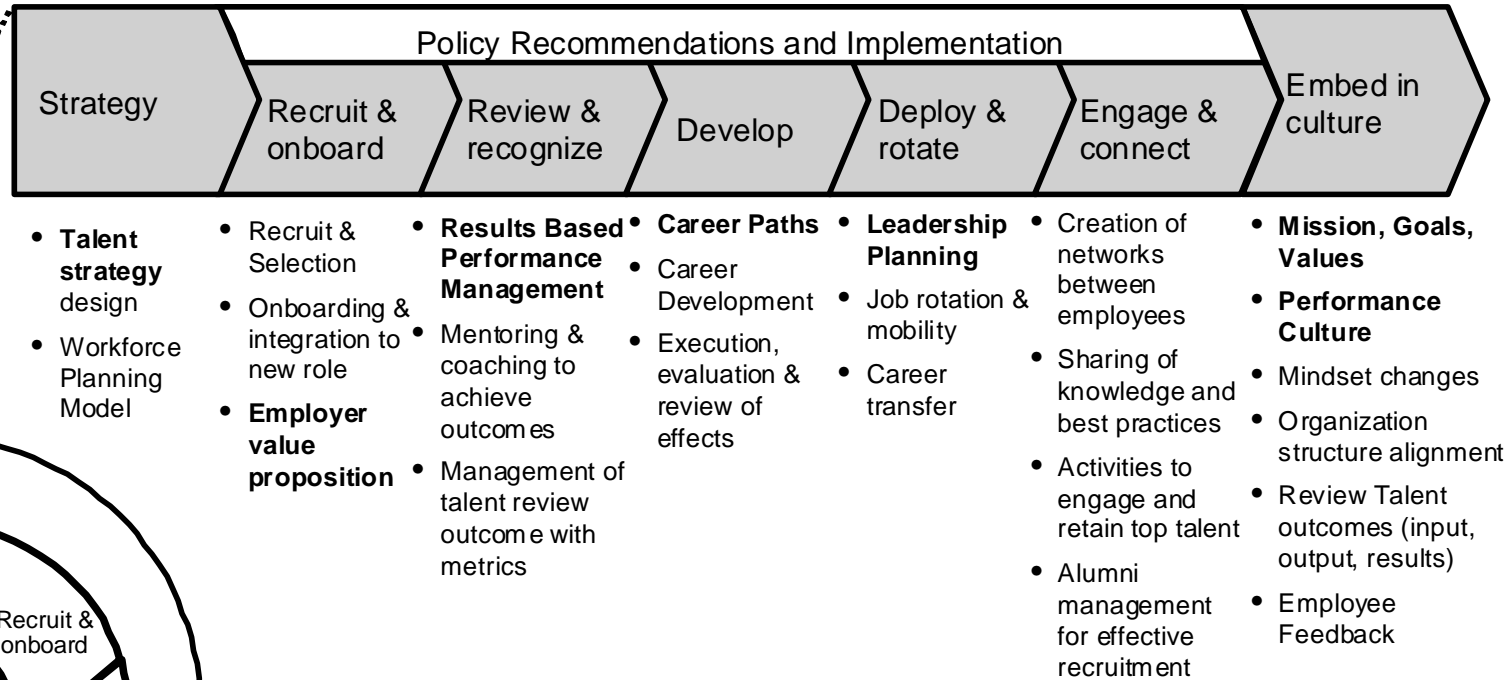
Diagnostic Findings

- No formal process for talent (HR) planning
- Unable to hire the best talent
- Current performance evaluation system ineffective
- No strategic employee development process
- No strategy for talent to gain cross organizational knowledge

Improved Human Resource Management

Improved Human Resource Mgmt

TALENT MANAGEMENT



AREAS OF OSP AND NCDOT COLLABORATION

Represents order of priority

■ Represents most important design/implementation efforts

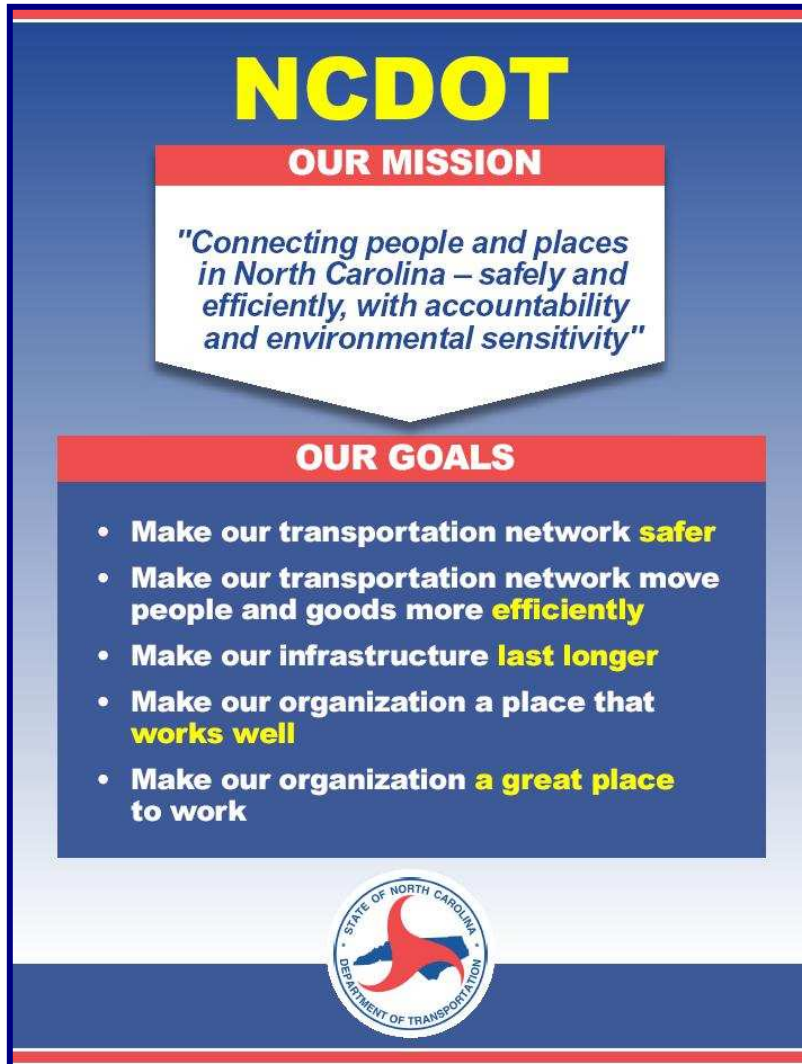
Ideal number of additional OSP team members*

Recommendation	Approach	Proposed team launch	TMT lead	NCDOT HR lead	Lead OSP advisor	Ideal number of additional OSP team members*
④ Define talent strategy framework/roles	Outline of framework and resources needed	October	Stephanie King	A Fanelli H Dickens	Gerry Fisher	Kassia Elliott
⑥ Revise hiring practices	High-level policy rec and implementation oversight	November	Teresa Pergerson	A Fanelli A Faulk A Simmons	N/A	N/A
③ Define and improve EVP	High-level policy rec and implementation oversight	September	Stephanie King	H Dickens T Gilbert	Terry Hall Sharon Howard	~1
① Revamp performance review	Design and implement in collaboration with OSP	August	T. Pergerson V. Barbour	P Broadhurst A Fanelli	Lynn Summers	~2-4
⑦ Revamp training program	High-level policy rec and implementation oversight	January	Anthony Roper	Bev Saylor	Ann Cobb	Others as needed
⑤ Develop employee career tracks	Policy recommendation; design in collaboration	November	Anthony Roper	H Dickens A Fanelli	Janice McIntyre	~1
② Develop leadership/succession planning	Design and implement in collaboration	August	Anthony Roper	P Bickham A Olive	Gary Wiggins	Lynn S. Kathleen M.
N/A Institute priority quick wins	Develop and implement policy recommendations	August	Stephanie King	H Henderson A Faulk	N/A	N/A

Accomplishments:

- Completed Assessment of Current Personnel Practices and Developed Recommendations
- Designed and implemented a **rigorous performance review** process tied to performance metrics
- Trained Senior Leadership on new Performance Management System
- Designed process for **leadership planning**
- Made high level recommendations on **employee recruitment, development and retention**

It all comes down to...




NCDOT

OUR MISSION

"Connecting people and places in North Carolina – safely and efficiently, with accountability and environmental sensitivity"

OUR GOALS

- Make our transportation network **safer**
- Make our transportation network move people and goods more **efficiently**
- Make our infrastructure **last longer**
- Make our organization a place that **works well**
- Make our organization **a great place to work**



- Working Together for a Common Purpose
- Planning and Prioritizing our Work
- Delivering our Projects & Programs More Efficiently
- Measuring Our Performance
- Developing Our Employees
- Fulfilling our role of

“Connecting People and Places in North Carolina”

Improving Efficiency Through Re-Alignment: *NCDOT Division of Highways & Underutilized Business Programs*



Presented by
Roberto Canales, PE
Anthony Roper, PE
November 13, 2008

Outline

- NCDOT Re-Alignment
 - Realignment
 - Organizational Diagnostic Findings
 - Benefits
- Division of Highways
 - Benefits to Project Delivery
 - Schedule & Budget Accountability
 - Many Partners
 - Expected Results
- Underutilized Business Programs
 - Civil Rights Unit
 - Business Opportunities & Workforce Development
 - Contractual Services Unit
 - Office of Inspector General
- Benefits

NCDOT

OUR MISSION

*"Connecting people and places
in North Carolina – safely and
efficiently, with accountability
and environmental sensitivity"*

OUR GOALS

- Make our transportation network **safer**
- Make our transportation network move people and goods more **efficiently**
- Make our infrastructure **last longer**
- Make our organization a place that **works well**
- Make our organization **a great place to work**



Organizational Assessment Diagnostic Findings

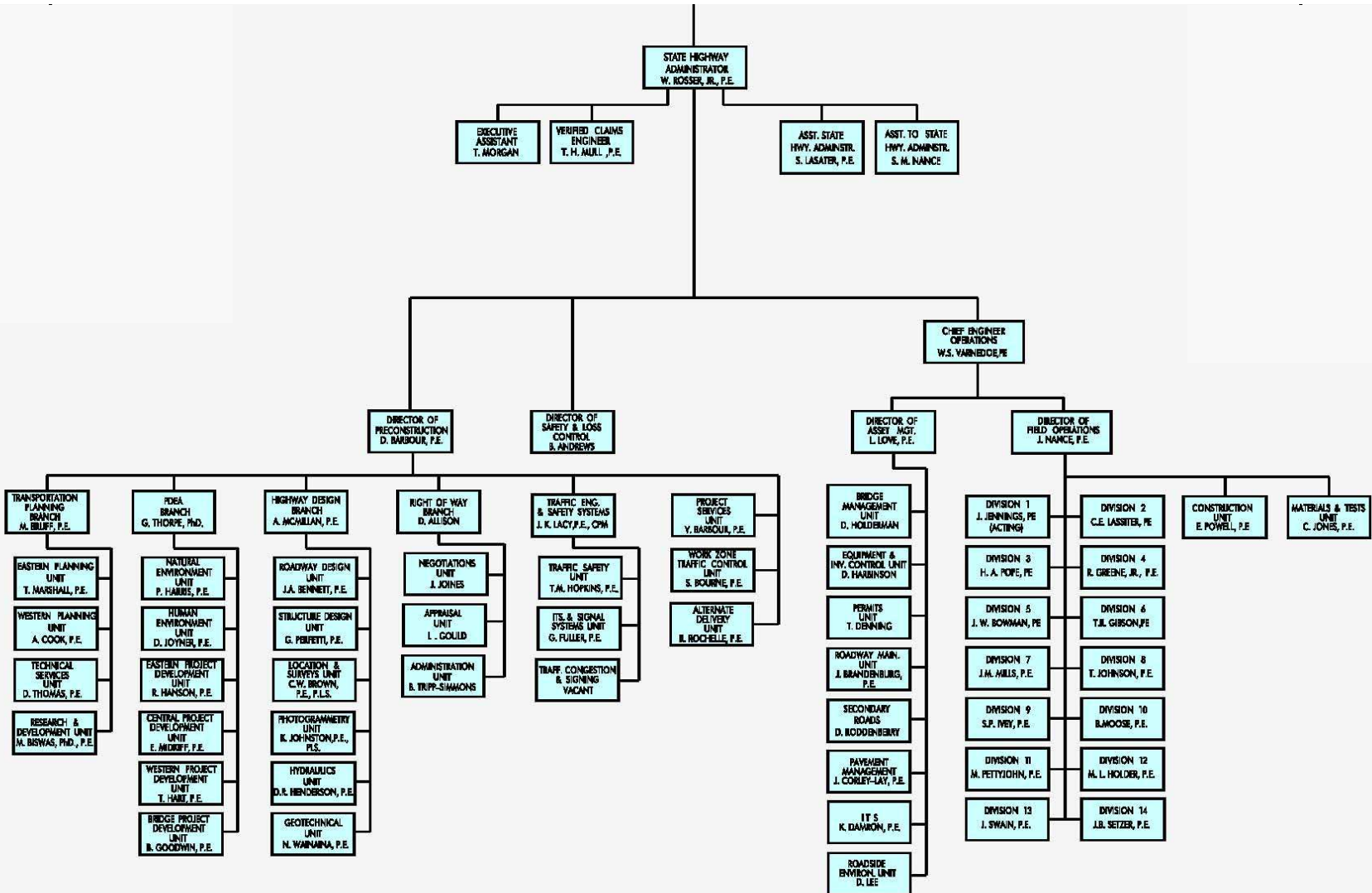
Major Structural Challenges at NCDOT

1. “Silo culture” discouraged coordination among business units
2. Insufficient accountability for project delivery across business units
3. Inconsistent coordination and success across geographies in planning, designing, delivering, operating and maintaining projects
4. Slow, multi-layered, sometimes bureaucratic decision-making process across the organization

Benefits of the Realignment

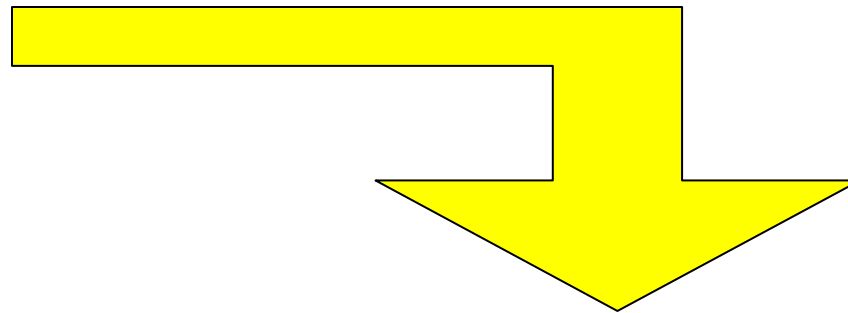
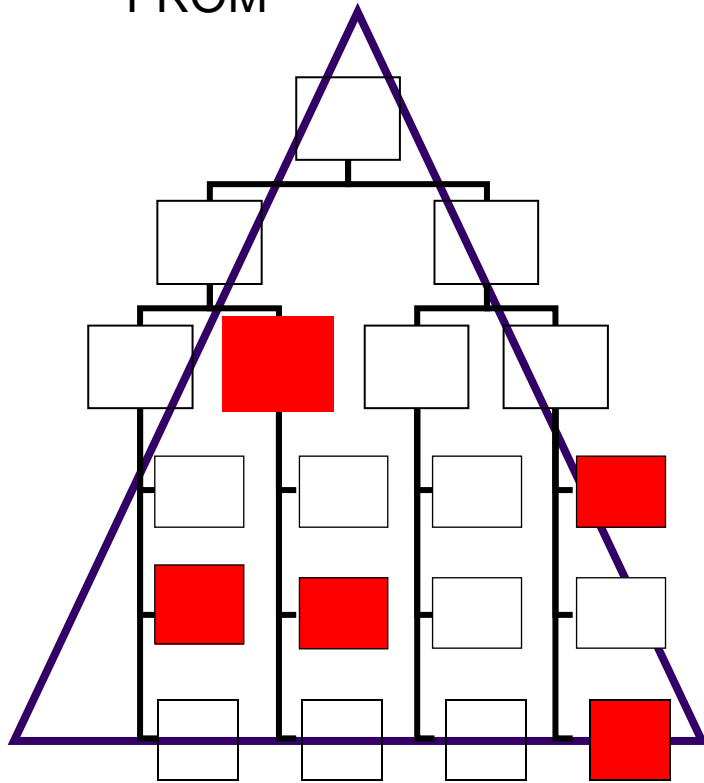
- Eliminated Redundancies
- De-layered organization
- Structured Functionally with Program Focus
- Statewide / Local Multi-modal Strategic Planning
- Improved Auditing and Oversight: Checks & Balances
- Mainstreamed Continuous Improvement Culture
- Organizational culture shift
 - Performance driven / Outcomes based
- Standardized Practices
 - Contracts / Agreements...

Division of Highways ~ Pre-August 2008

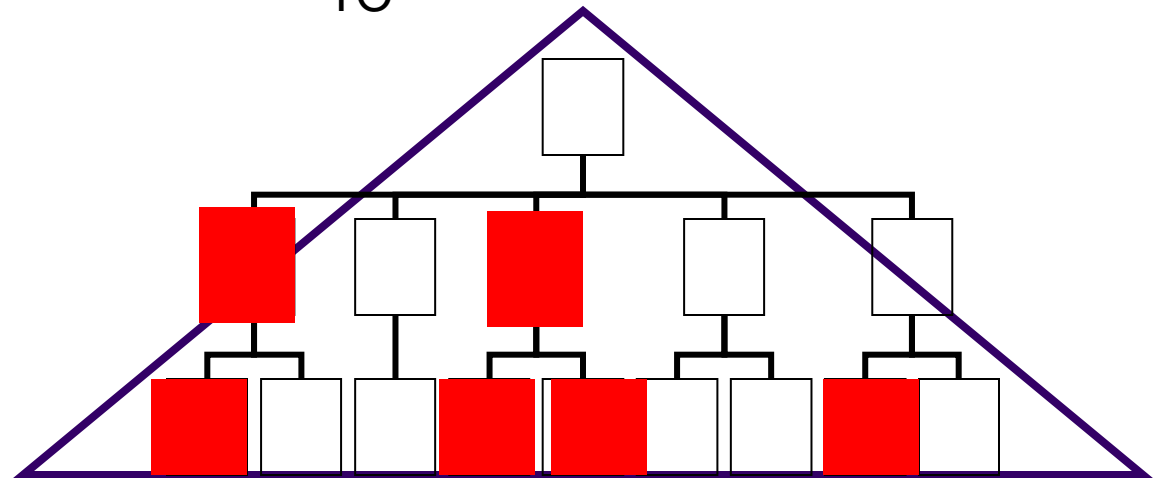


Organizational Re-Alignment

FROM

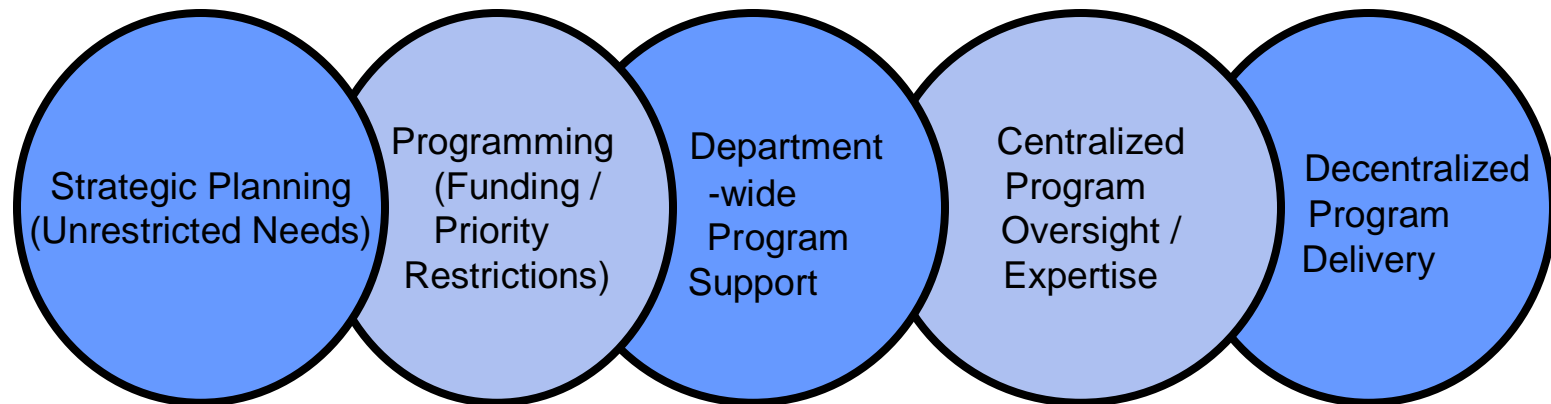


TO



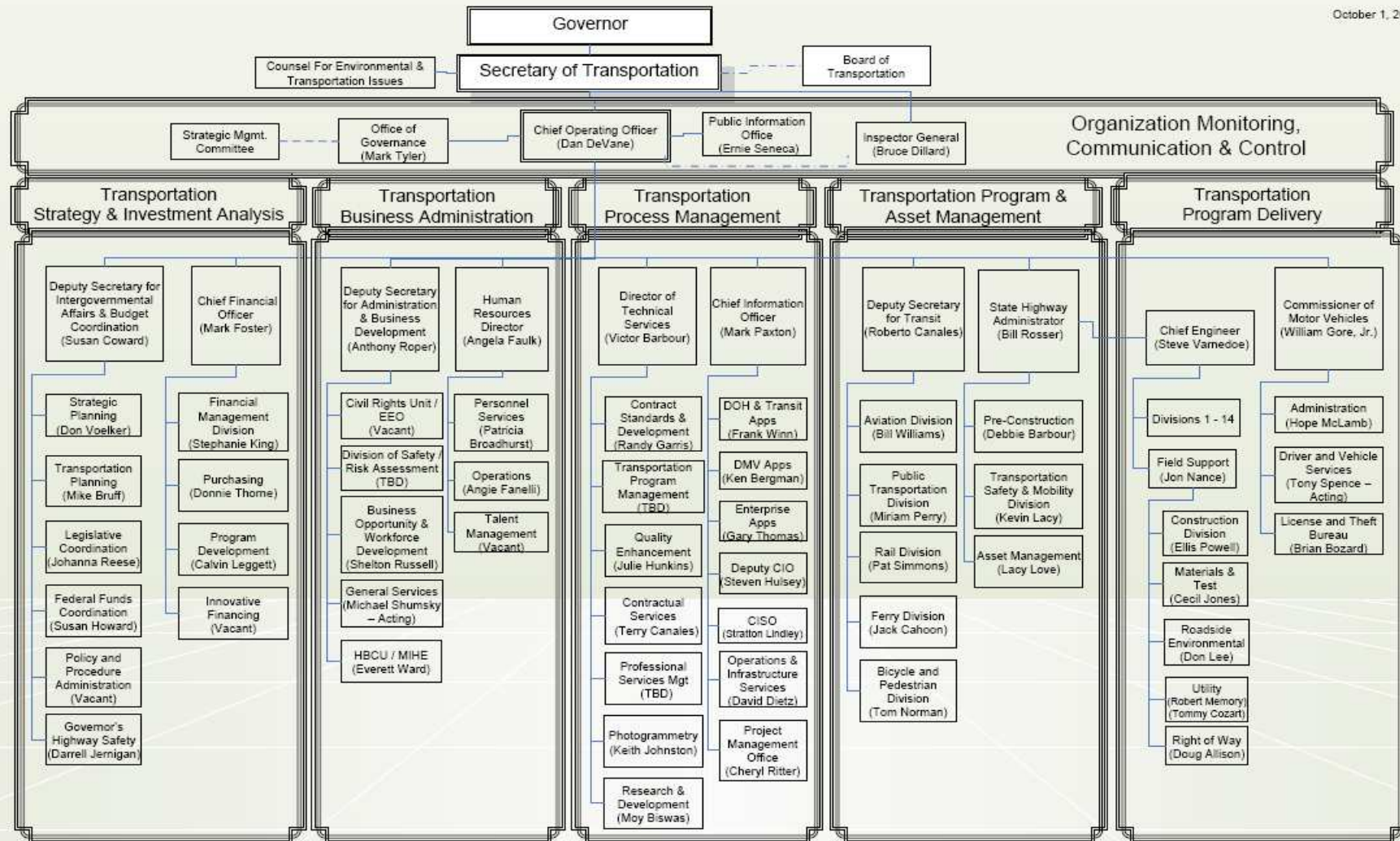
NCDOT Realignment

Program Oversight, Tracking and Direction

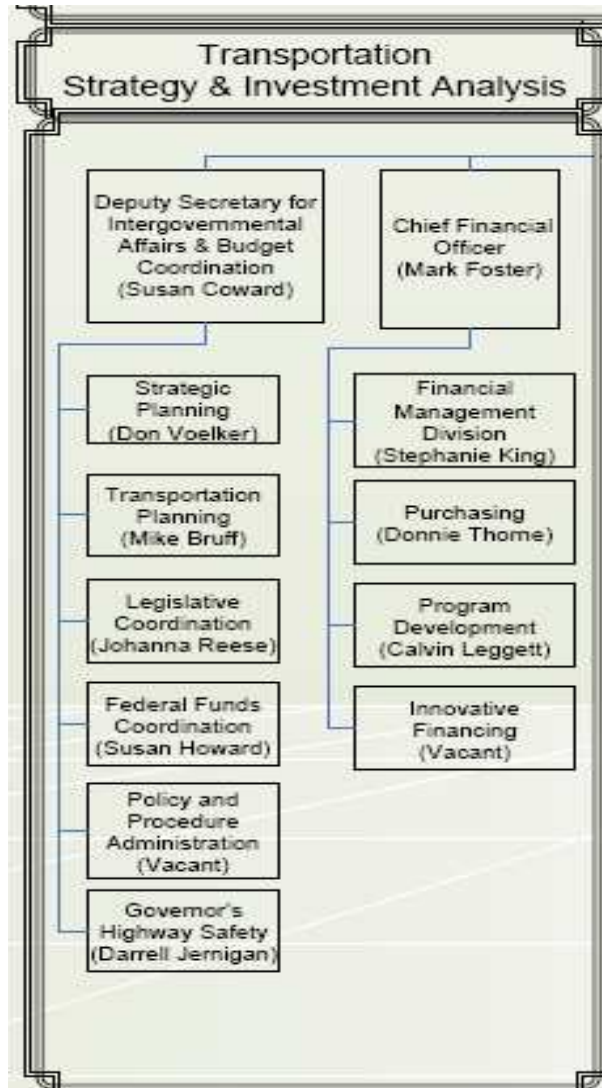


Re-Aligned NCDOT

October 1, 2008



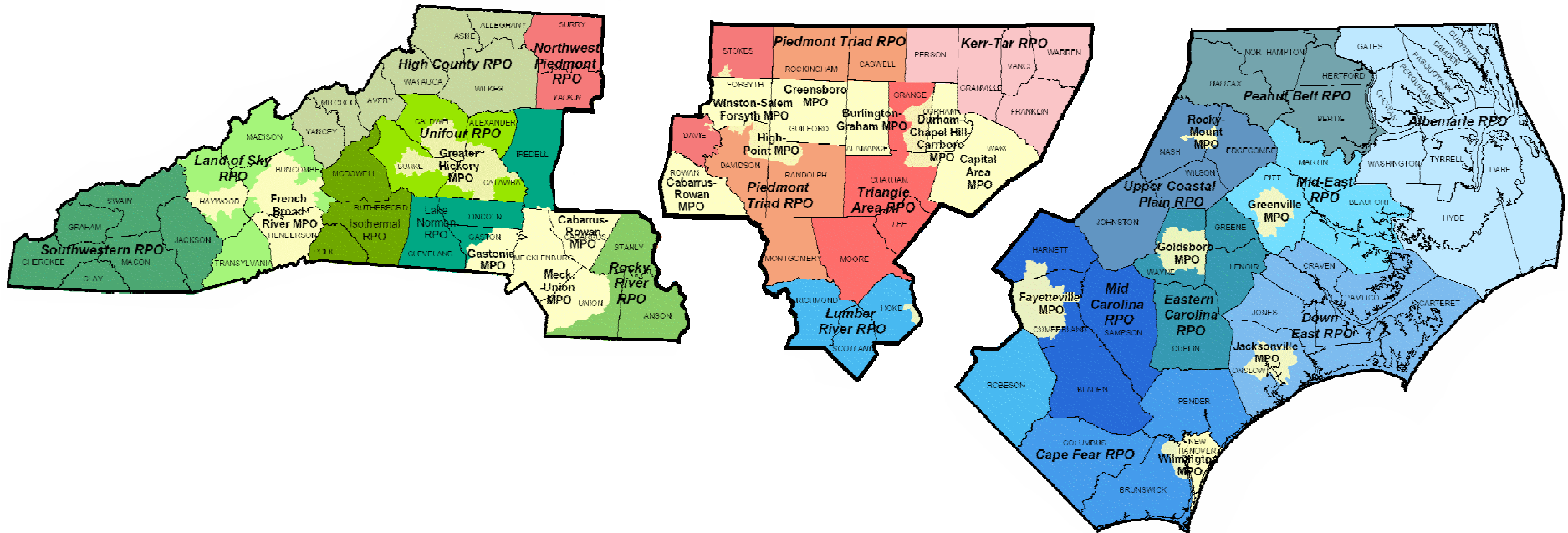
Benefits: Project Delivery



New Strategic Planning Function

- Local Stakeholder Input
- Goal Focused
- Long Term Planning
- Improved Prioritization

Benefits: Project Delivery



Region

Division

STIP Staff

PDEA Staff

Roadway Staff

Western

10,11,12,13,14

Van Argabright

Teresa Hart

Vacant

Central

5,7,8,9

Mike Stanley

Eric Midkiff

Vacant

Eastern

1,2,3,4,6

Ray McIntyre

Rob Hanson

Dewayne Sykes

Benefits: Project Delivery

Bridge Program

- Standard Bridge Designs
- On-Site Scoping Meetings
- Shared Metrics for Bridge Health
- Cut Project Delivery Time By 2 Years
- Innovative Delivery Approaches



NC 12 Bridges, Hyde County

Seven bridges replaced along NC 12 on Ocracoke Island

- Extensive planning to minimize impacts on tourism and residents
- Innovative contracting and construction practices
- Multiple crews worked around the clock
- Road closed for only 65 days, 10 days less than allowed



Benefits: Project Delivery

Improved TIP Process

- New TIP Project Delivery Models
 - ◇ Priority Project Managers
 - ◇ Tri-technical Managers: Planning/Design/Construction
- Developmental / Delivery TIP
 - ◇ Provides a measurable TIP with realistic delivery dates
 - ◇ Establishes delivery expectations and budget constraints
 - ◇ Sets achievable project expectations
 - ◇ Defining results based criteria to move projects into Delivery TIP
- Additional opportunities to improve
 - ◇ TIP – Step by Step Process
 - ◇ Merger 01 Process

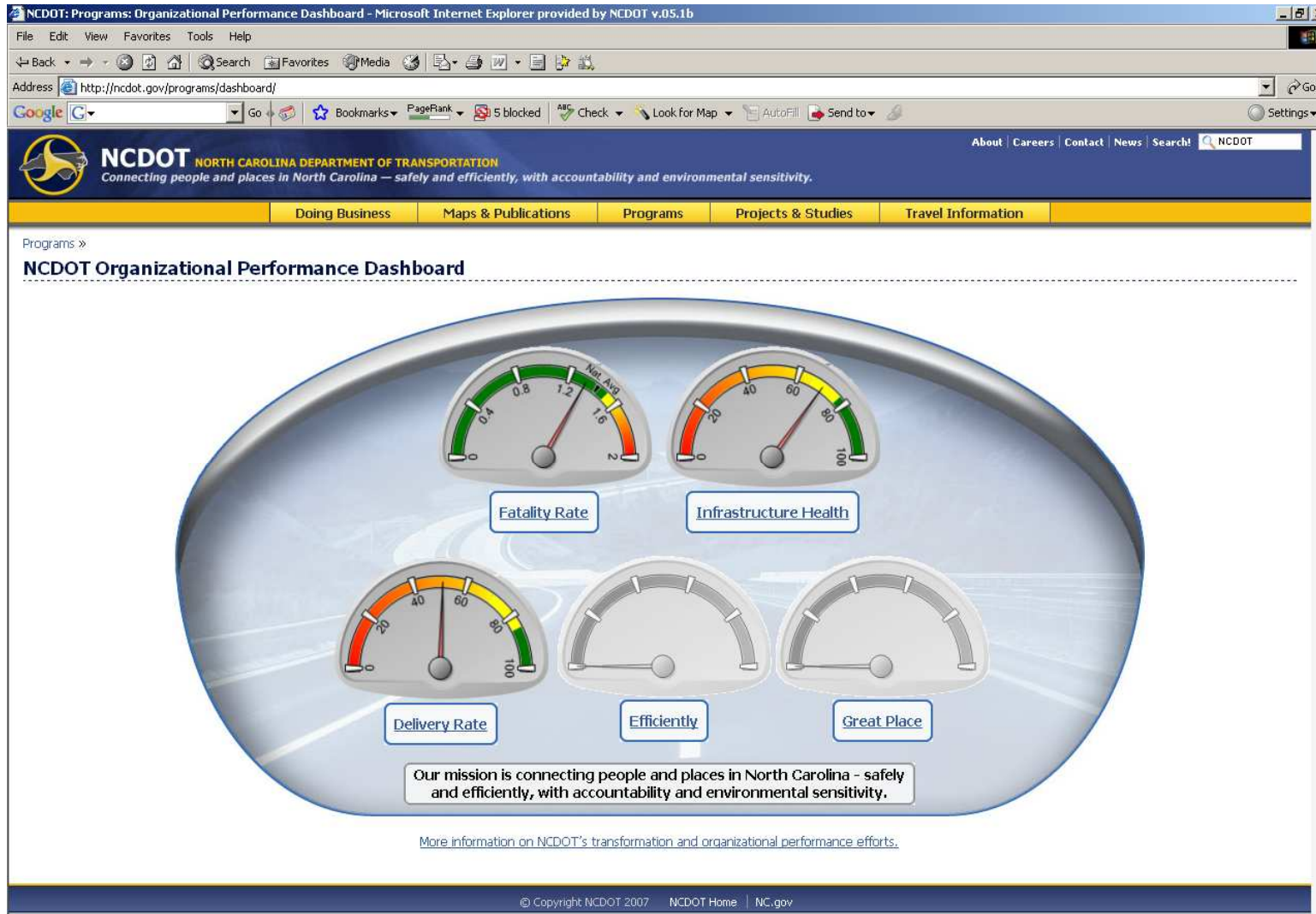
Clayton Bypass, Johnston County



- New highway between I-40 and US 70 east of Clayton
- Relieves congestion on US 70 and provides alternate route to Raleigh or to the coast.
- ** Completed and opened to traffic one year ahead of schedule. **
- State's first real time automated travel information system including travel times on Dynamic Message Signs.
- Preserved integrity of streams, wetlands, and environmentally sensitive areas near the project.

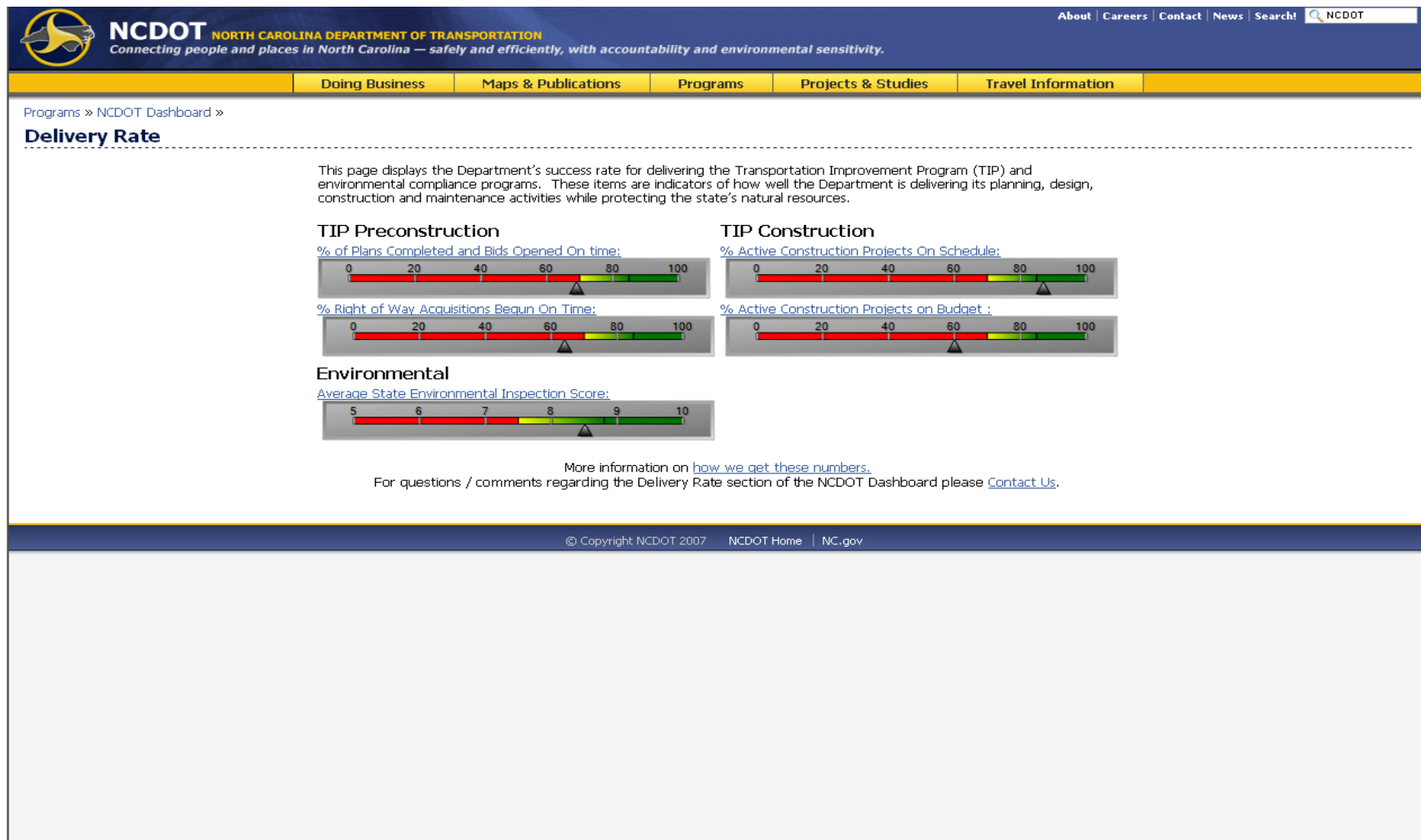
Benefits: Schedule & Budget Accountability

Organizational Performance



Benefits: Schedule & Budget Accountability

Organizational Performance



Benefits: Schedule & Budget Accountability

PERFORMANCE METRICS
FOR DIVISION OF HIGHWAYS

DRAFT 10/23/07; 12/07/07

STATE HIGHWAY ADMINSTRATOR

	Metrics	Definition of Measure/Comments
"Make our transportation network safer"	<ul style="list-style-type: none"> Crash Rates 	<ul style="list-style-type: none"> % improvement of crash rates by tiers involving fatalities and serious to moderate injuries compared to statewide baseline
"Make our transportation network move people and goods more efficiently"	<ul style="list-style-type: none"> Reliability on the Strategic Highway Corridors and Regional Tier Routes 	<ul style="list-style-type: none"> Average operating speeds on Strategic Highway Corridors (SHC) Travel time reliability- standard deviation of avg. commuter time in selected urban areas Congestion (Level of Service)
"Make our infrastructure last longer"	<ul style="list-style-type: none"> Statewide Infrastructure Health 	<ul style="list-style-type: none"> Cumulative Statewide Rating (Level of Service Rating)
"Make our organization a place that works well"	<ul style="list-style-type: none"> Programs/Projects/Services on Schedule and on Budget Business Development and Outreach Customer Service Fiscal Management 	<ul style="list-style-type: none"> % of programs/projects/services managed, administered, constructed on schedule and on budget (Planned vs. Actual) % of solicitations sent to, % of bids received from, & % of contract dollars awarded to DBEs, MBEs, WBEs, SBEs, & HUBs Customer survey scores (public, partners, etc.) % improvement of existing administrative budget
"Make our organization a great place to work"	<ul style="list-style-type: none"> Employee Safety Employee Satisfaction Recruiting, Developing and Retaining Employees 	<ul style="list-style-type: none"> Number of incidents, lost work days, worker's comp claims Employee satisfaction survey composite score Retention rate of "Top Performers" and/or stabilization rate

Benefits: Schedule & Budget Accountability

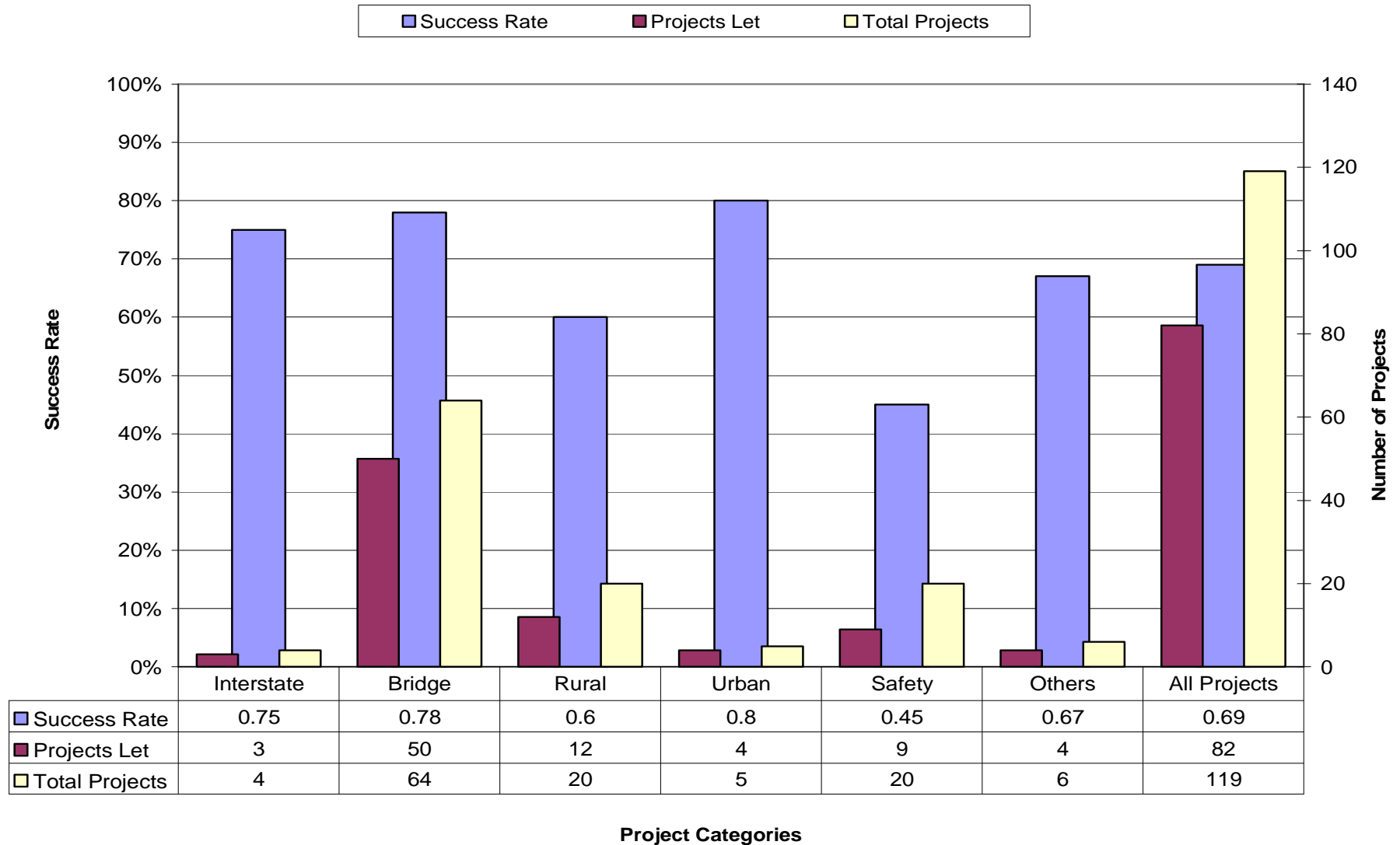
	Technical Services Administrator	
	Contract Standards & Administration Director	
Secretary of Transportation	Transportation Program	Chief Engineer - Transportation Operations
Chief Operating Officer	Chief Information	Transportation Division 1 Engineer
Inspector General	Deputy Secretary for	Transportation Division 2 Engineer
Director of Governance	Director of Rail D	Transportation Division 3 Engineer
Director of Communication	Director of Aviation	Transportation Division 4 Engineer
Dep Sec Intergovernmental	Director of Public Transport	Transportation Division 5 Engineer
Budget Coordinator	Director of Ferry I	Transportation Division 6 Engineer
Director of Transportation	State Highway Admin	Transportation Division 7 Engineer
Director of Strategic Planning	Director of Precon	Transportation Division 8 Engineer
Chief Financial Officer	PDEA Branch Manager	Transportation Division 9 Engineer
Director of Purchasing	Highway Design Branch	Transportation Division 10 Engineer
Director of Financial Services	Director of Asset Management	Transportation Division 11 Engineer
Director of Innovative Financing	Director of Safety &	Transportation Division 12 Engineer
Director of Program Development	DMV Commission	Transportation Division 13 Engineer
Deputy Secretary for Administration	Deputy Commissioner	Transportation Division 14 Engineer
Director of Safety and Risk Management	Director of License & Testing	Director of Field Support
Director of Human Resources	Director of DMV Operations	Right of Way Branch Manager
Director of General Services	Director of Driver & Vehicle Services	

Transportation Partners

- Legislature
- MPO's / RPO's
- Municipalities
- County Commissioners
- Industry
 - Contractors
 - Suppliers
 - Consultants
- State & Federal Resource Agencies
- US Department of Transportation
 - FHWA
 - FAA
 - FTA
 - FRA

Letting Success Rate

Letting Success Rate (July 2008 - Sep 2008)

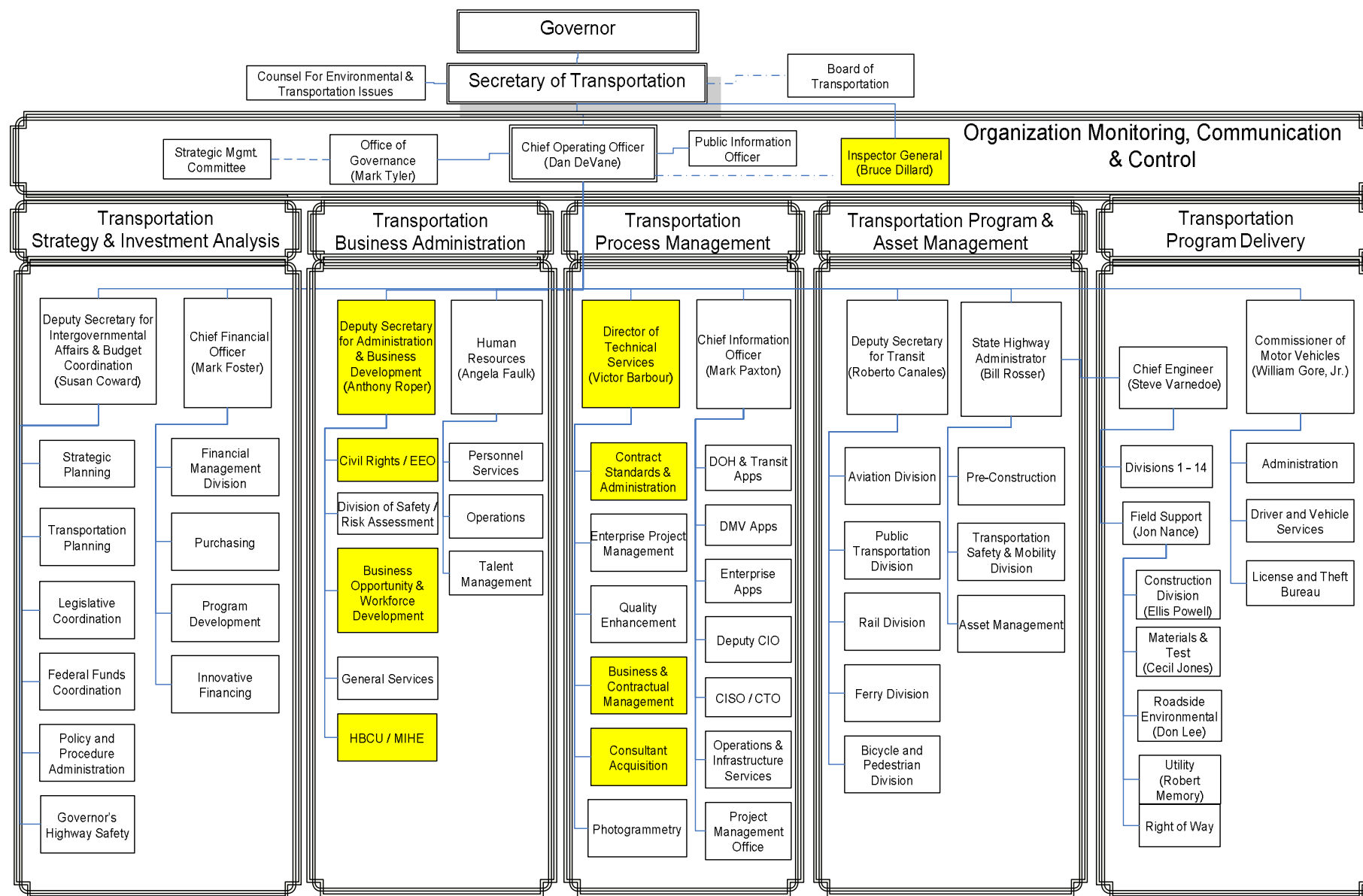


Safety - Spot Safety and Hazard Elimination Projects
 Others -Rest Area and Ferry Projects

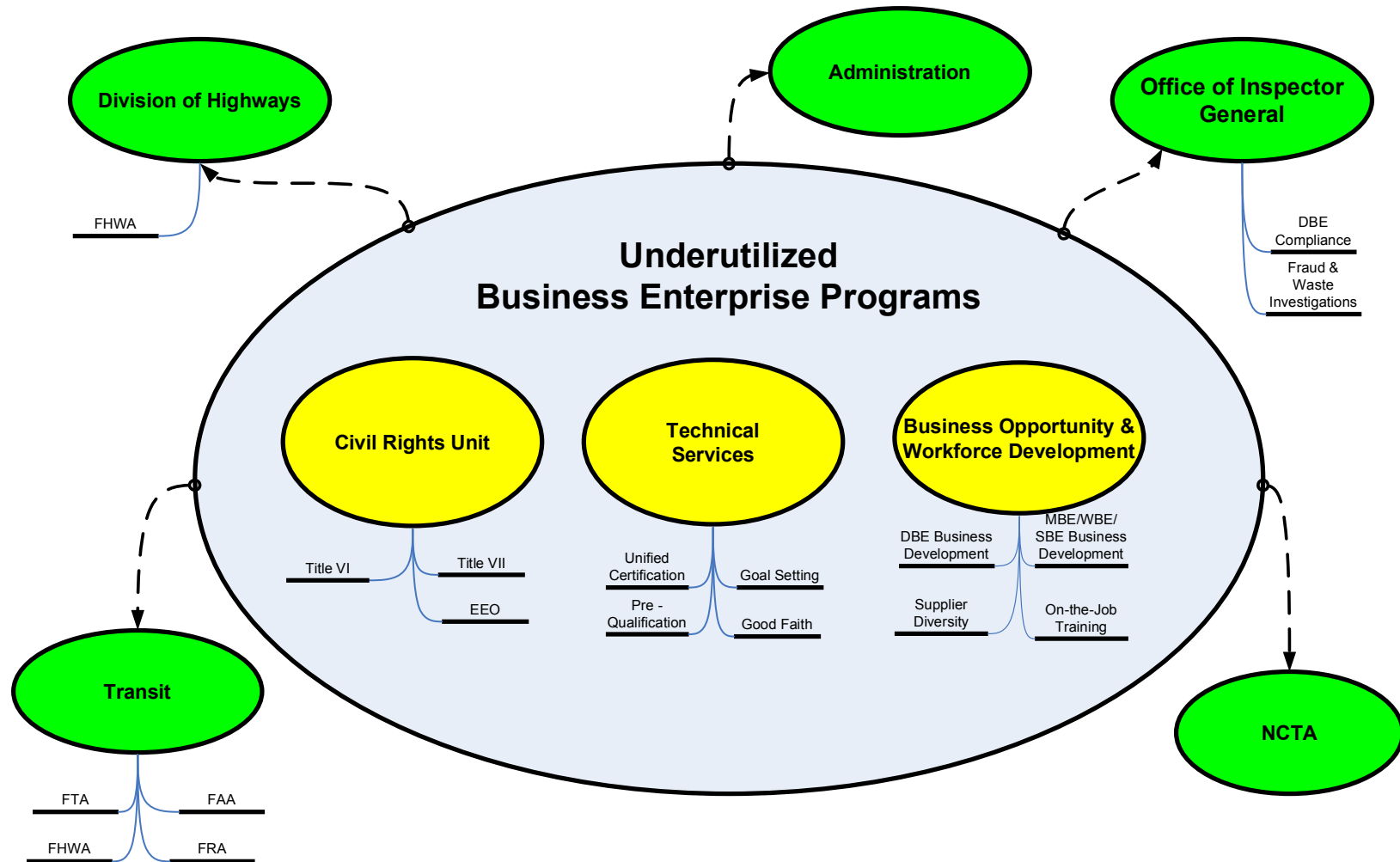
Better Outcomes Through Process Improvements

- Prioritization of Limited Resources
 - ◇ Strategic Planning Process
- Engagement of Stakeholders
 - ◇ Local Awareness, Input, Outreach & Delivery
- Organizational Performance Monitoring
 - ◇ Governance Office & Strategic Management Committee
 - ◇ Department-wide Accountability
 - * Performance Appraisals
 - * Office of Inspector General
 - ◇ Visibility of Targets and Results
 - * Organizational Performance Dashboard
- Continuous Process Improvement
 - ◇ Quality Enhancement Unit
 - ◇ Office of Inspector General
 - ◇ Strategic Management Committee

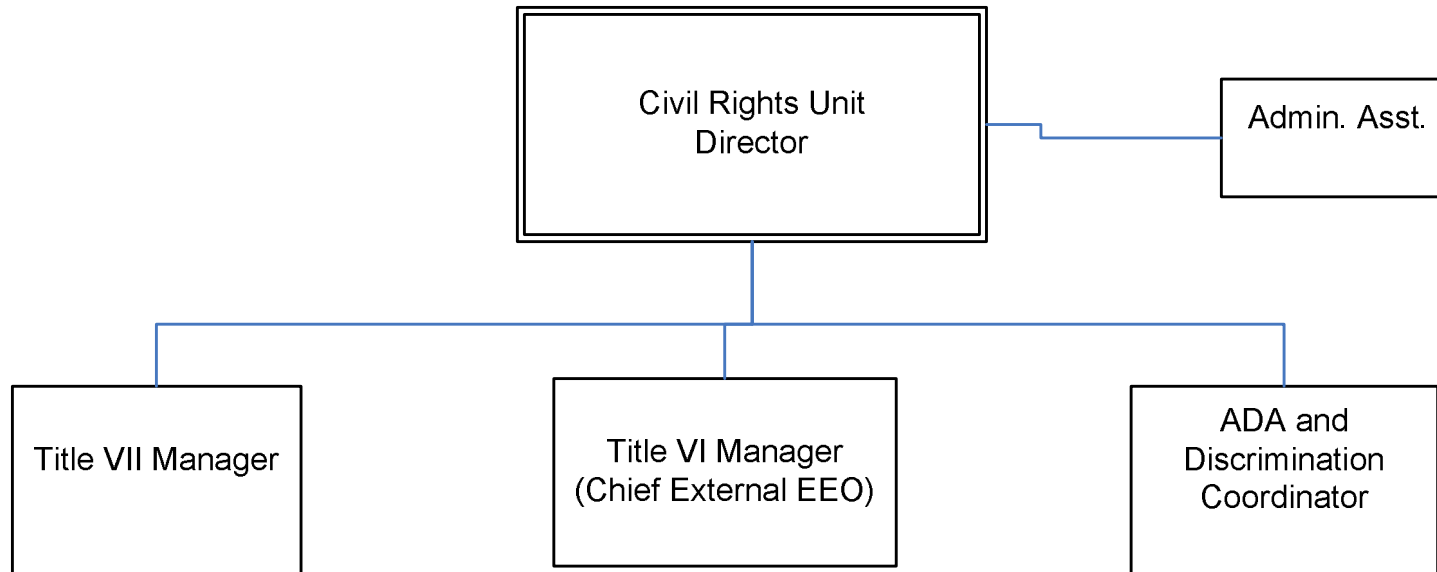
Underutilized Business Related Business Units



Underutilized Business Enterprise Program



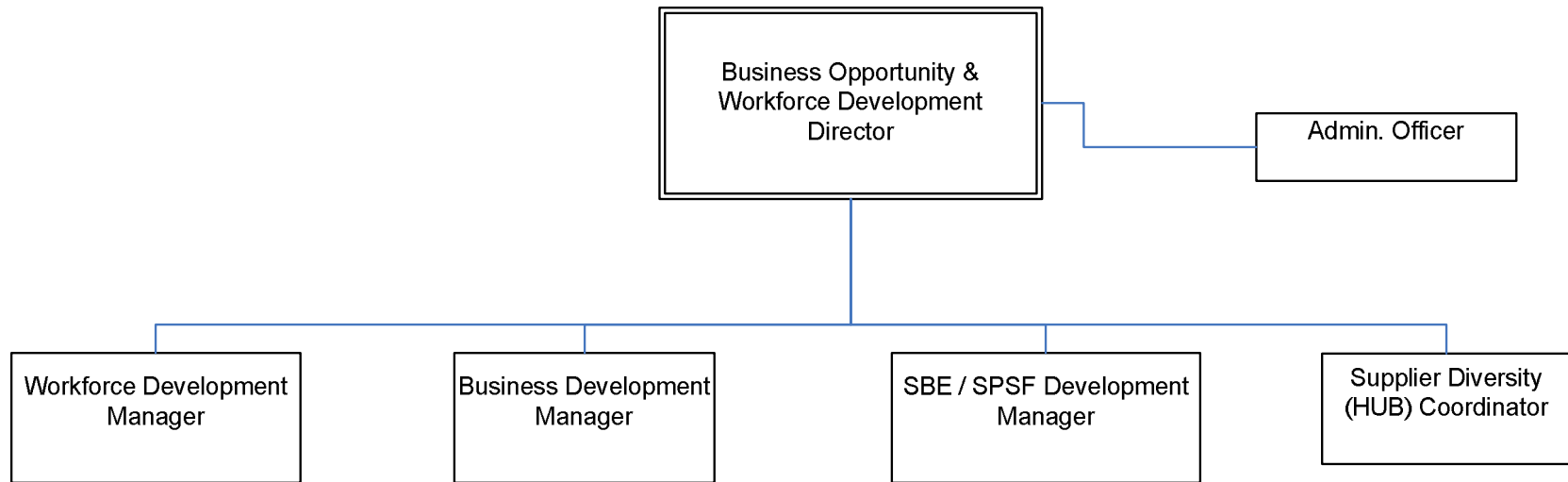
Civil Rights Unit



The Civil Rights Unit includes

- Title VI - Including Environmental Justice and Limited English Proficiency
- Title VII - Equal Employment Opportunity (EEO) for NCDOT employees
- EO – Equal Opportunity contract compliance
- Americans with Disability Act (ADA) – Internal and External

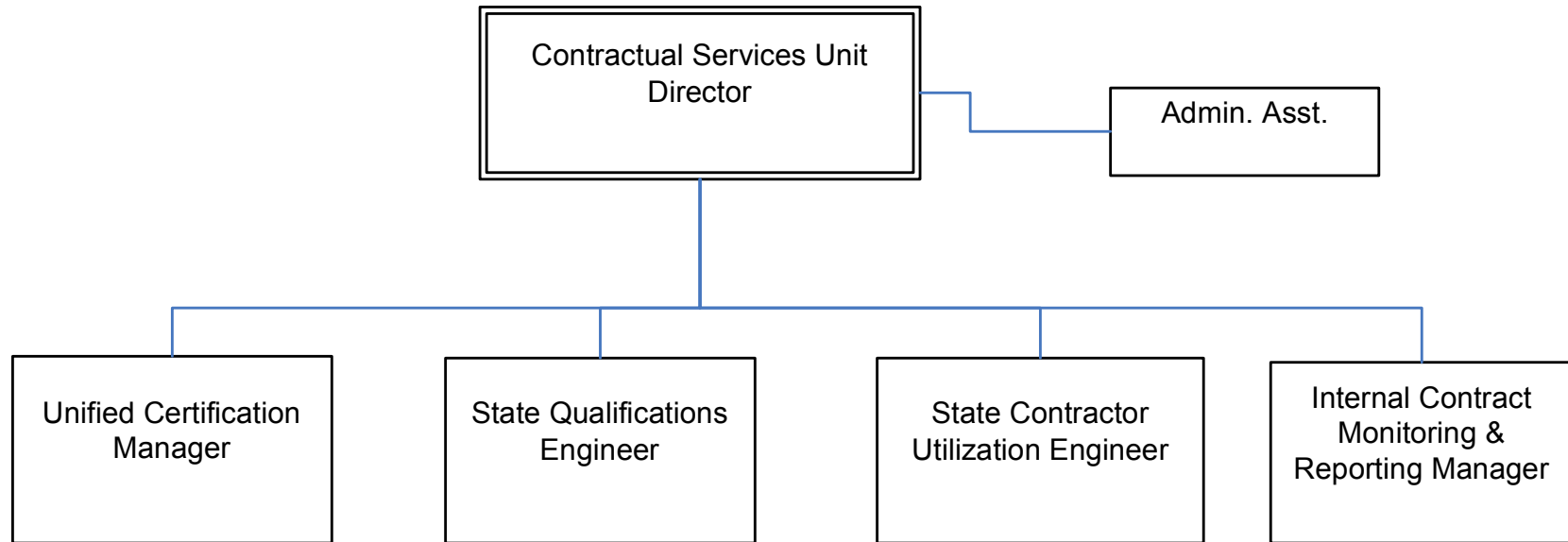
Office of Business Opportunity & Workforce Development



The Business Opportunity & Workforce Development (BOWD) Unit includes:

- On the job training opportunities
- The Business Development Program as set forth in 49 CFR Part 26
- The MBE/WBE Program as set forth in HB 1827
- Business development assistance shall be provided to small businesses qualifying as a Small Business Enterprises (SBEs), Historically Underutilized Businesses (HUBs), and the small professional services firms (SPSFs)

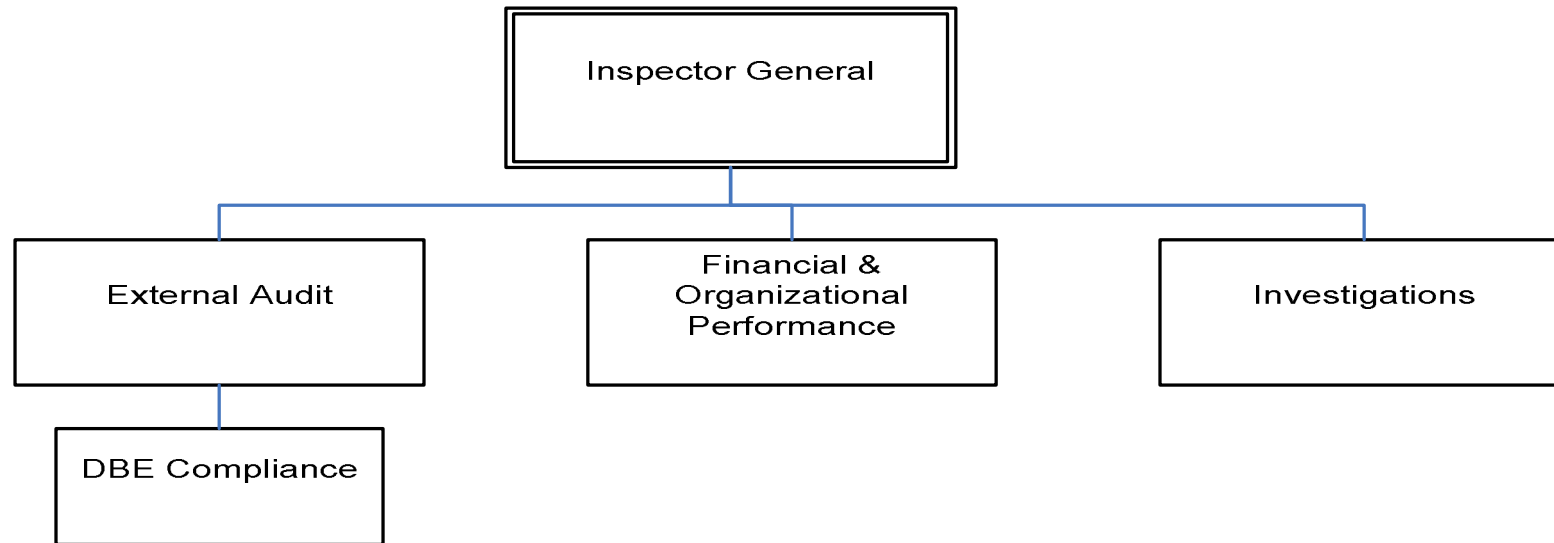
Contractual Services Unit



The Contractual Services Unit includes:

- Certification of DBE, MBE, WBE, SBE and SPSF firms
- Prequalification of subcontractors and prime contractors
- Establishing DBE Goals on federally-assisted contracts
- Establishing MBE/WBE Goals on state-assisted contracts
- Providing staff resource to Goal Compliance Committee
- Monitoring contracts for utilization (meeting goals) and reporting to NCDOT stakeholders

Office of Inspector General



The Office of Inspector General

- Required by NC House Bill 1401, Internal Audit Act and NC House Bill 1551, State Government Accountability and Internal Control Act
- DBE Compliance
 - ◇ Required by Federal Statute 49 CFR Part 26 and the NCDOT DBE Program Plan
 - ◇ DBE Compliance Section has been transferred to auditing section of OIG. Staff will continue to provide compliance functions with emphasis on adopting standard industry auditing processes.

Benefits to MBE / DBE / WBE / SBE / SPSF / HUB Programs

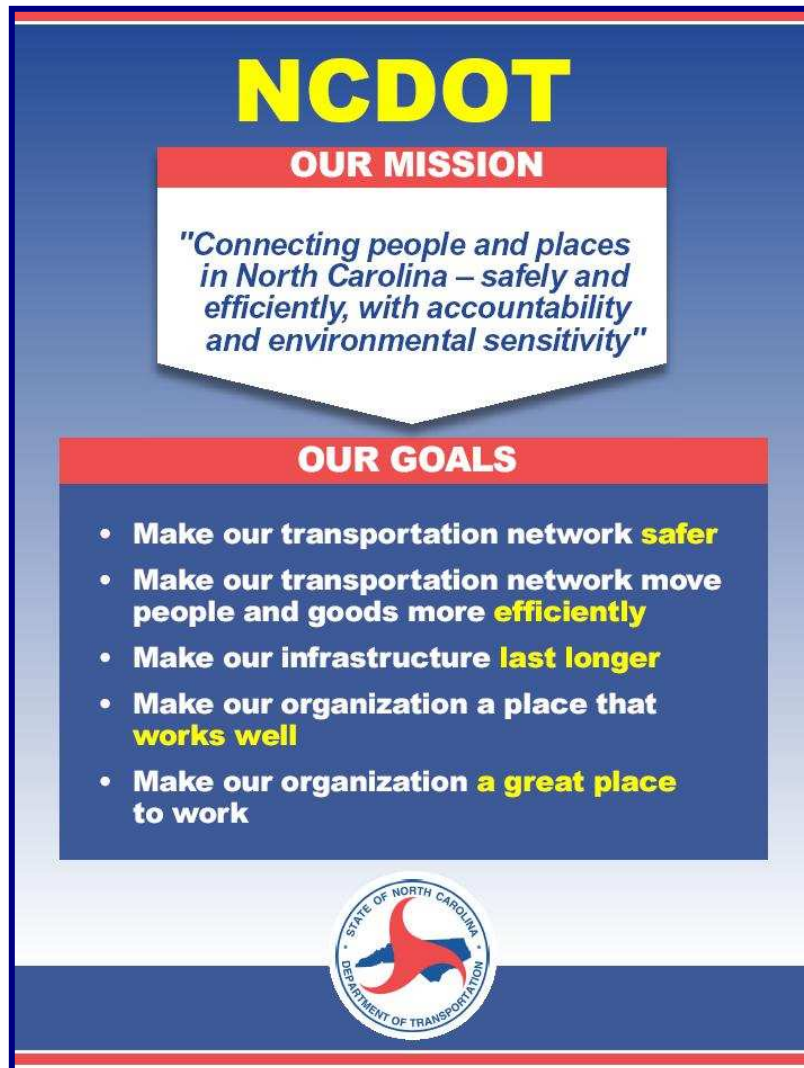
Secretary Tippet committed to success of programs

- Broader reach throughout the Department
- Greater staff investment
- Greater transparency through enhanced reporting tools
- Stronger business development initiatives
- Improved compliance alignment
- Department-wide checks and balances

Benefits of the Realignment

- Eliminated Redundancies
- De-layered organization
- Structured Functionally with Program Focus
- Statewide / Local Multi-modal Strategic Planning
- Improved Auditing and Oversight: Checks & Balances
- Mainstreamed Continuous Improvement Culture
- Organizational culture shift
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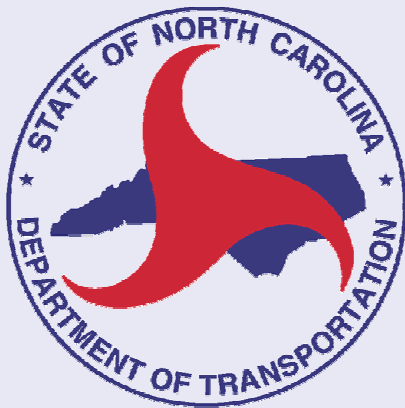
It all comes down to...



- Working Together for a Common Purpose
- Planning and Prioritizing our Work
- Delivering our Projects & Programs More Efficiently
- Measuring Our Performance
- Developing Our Employees

**“Connecting People and Places
in North Carolina”**

NCDOT Transformation



Presented by
Kelly Damron, PE

October 23, 2007

Case for Change - Perfect Storm

- External Factors
 - Increasing Demand on the System
 - Inflation Increasing Costs
 - Revenues flat/declining
 - Aging Infrastructure
- Internal Wisdom
 - “All Things to All People”
 - Faith In Government
 - All Employee Survey

Mission & Goals

NCDOT

OUR MISSION

*"Connecting people and places
in North Carolina – safely and
efficiently, with accountability
and environmental sensitivity"*

OUR GOALS

- Make our transportation network **safer**
- Make our transportation network move people and goods more **efficiently**
- Make our infrastructure **last longer**
- Make our organization a place that **works well**
- Make our organization **a great place to work**



Five Key Transformation Initiatives

Strategic Direction

- Define common **Mission** and **Goals** for the NCDOT
- Determine the appropriate **scope of activities** for NCDOT
- Identify potential opportunities for new sources of **funds**
- Evaluate possible **organizational changes** to reach strategic goals

Planning and Prioritization

- Establish a **Strategic Planning Office**
- Develop **strategic plan** that aligns with Mission and Goals
- Establish a new **prioritization approach** based on strategic priorities

Program and Project Delivery

- Develop and implement enhanced **program and project delivery** models and processes

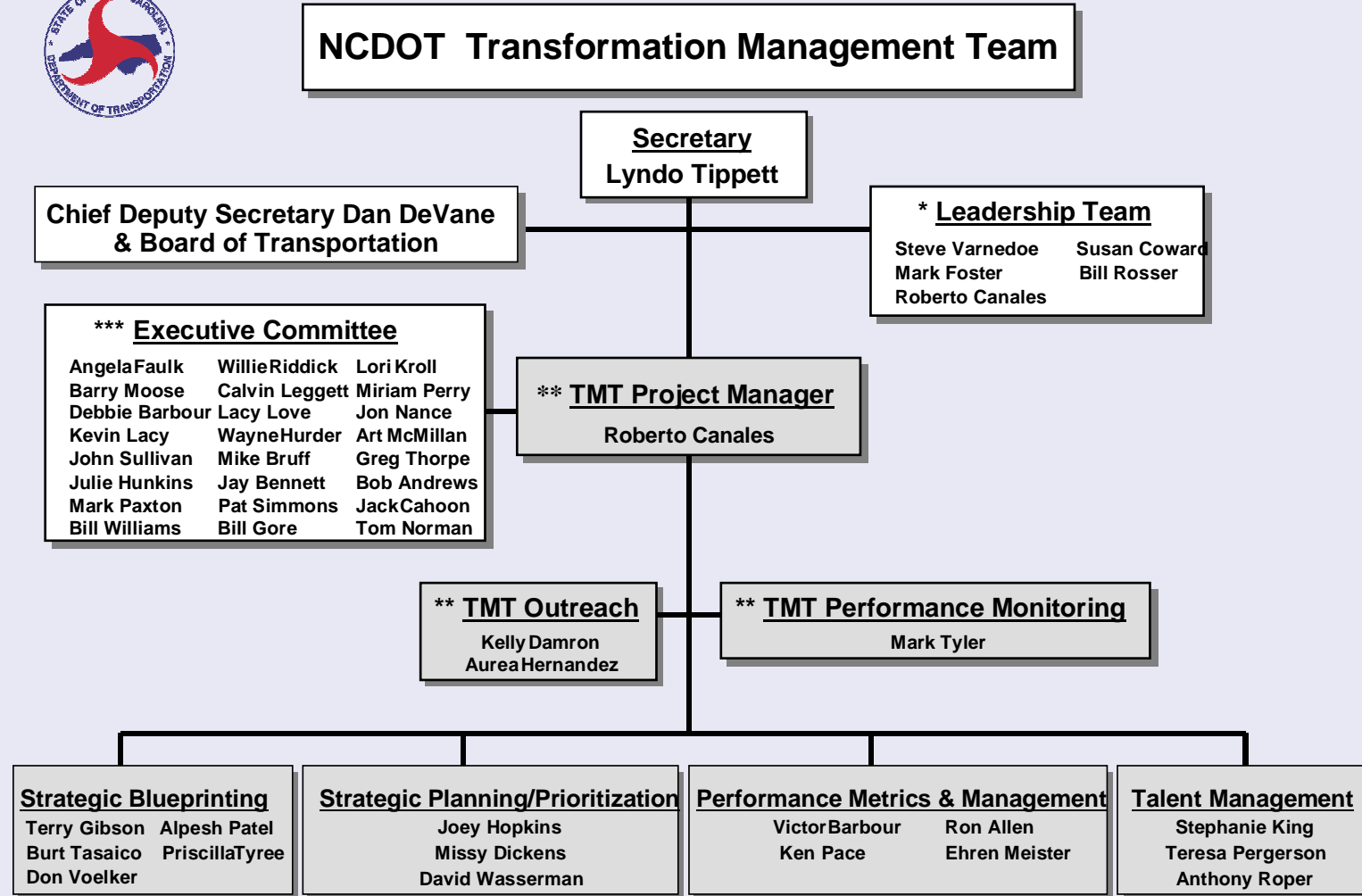
Performance and Accountability

- Implement a public facing **Executive Dashboard** that is aligned with the mission and goals
- Introduction of a **performance based culture** that cascades performance metrics throughout the organization

Improved Human Resource Management

- Design a **rigorous performance review** process tied to performance metrics
- Design a process for **leadership planning**
- Make high level recommendations on **employee recruitment, development and retention**


NCDOT Transformation Management Team



* Leadership Team: Meets Weekly to Support, Review, Offer Comments and Guidance (5)

** TMT Project Office: Manages Day to Day Activities of the TMT (19)

*** Executive Committee: Meets at Milestones to Review Ideas and Offer Feedback (24)

 Denotes Full Time TMT

10/15/07

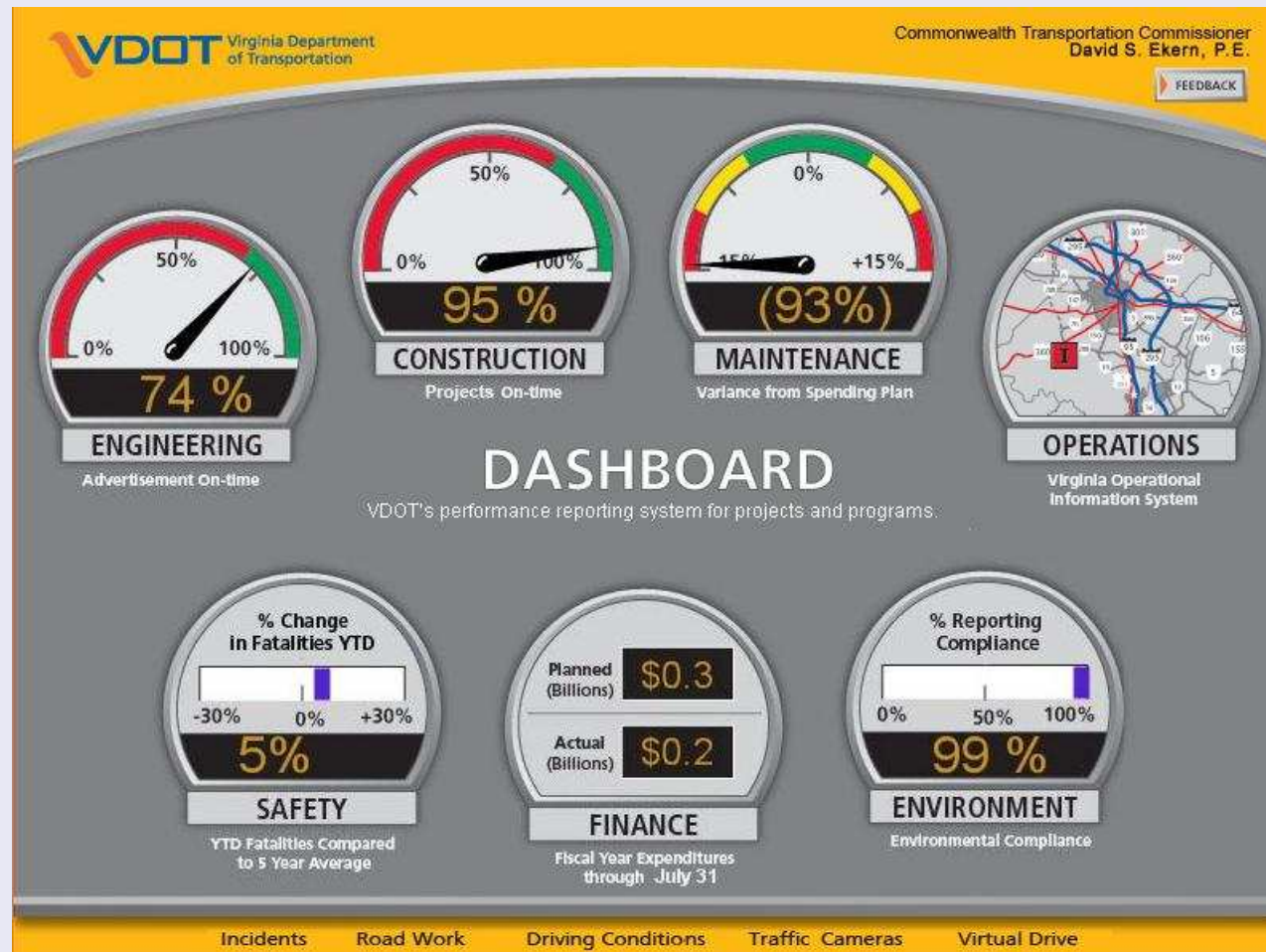
Imagine a World Where...

- Your priorities don't change
- Projects you're asked to work on really matter
- You work smarter, not harder
- DOT provides you the resources you need
- Agency reps are measured on project delivery
- Training/travel aren't micro-managed
- Hiring approval process is streamlined
- Branch is given an annual budget

*All these things of course come with
responsibility/accountability*

What is a Performance Dashboard?

A visual representation of the overall health of an organization



NCDOT's Executive Dashboard

METRICS

"Make our transportation network **safer**"

- Fatal accident (incident) rates on NCDOT transportation network

"Make our transportation network move people and goods more **efficiently**"

- Travel time (avg. operating speed)
- Travel time reliability
- Congestion (level of service)

"Make our infrastructure **last longer**"

- Existing system conditions
 - Road
 - Bridge
 - Other
- Book value of transportation network

"Make our organization a place that **works well**"

- Delivery on schedule
- Delivery on budget

"Make our organization **a great place** to work"

- Employee satisfaction
- Employee safety incidents

Why is this Transformation Real & Different ?

Not like previous efforts at change in DOT

- Collaborative
- Addresses Root Causes
- Speed of Improvements
- Support at all Levels
- Fishing, Not Fish

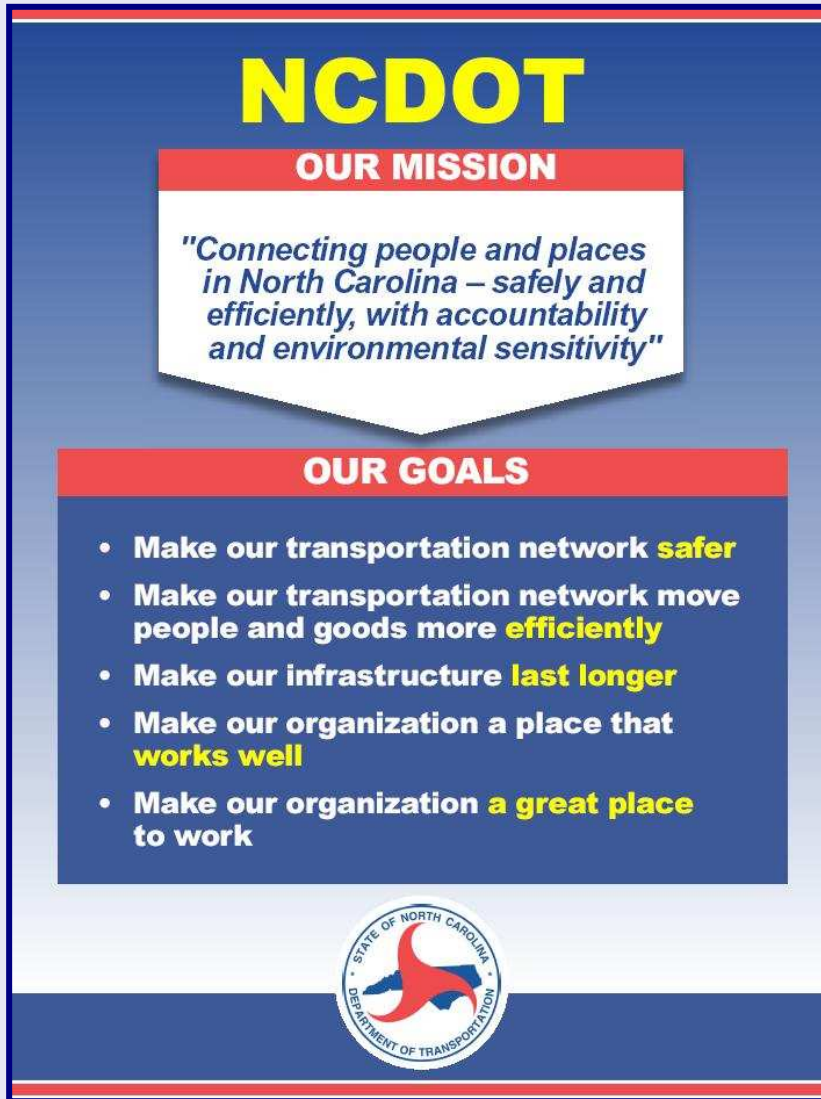
What You Will See Next?

- More outreach
 - Internal
 - External
- Training
 - Culture
 - Technical
- Effort Complete by Late 2008

Here's What You Can Do Now?

- Embrace change
 - Learn it
 - Live it
 - Love it
- Embrace outcome over output
- Embrace the new importance of cost and schedule
- Commit to offering excellent customer service in all aspects of your job
- Be creative in finding ways to increase efficiencies, surmount obstacles

It all comes back to....




NCDOT

OUR MISSION

"Connecting people and places in North Carolina – safely and efficiently, with accountability and environmental sensitivity"

OUR GOALS

- Make our transportation network **safer**
- Make our transportation network move people and goods more **efficiently**
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The graphic is a vertical rectangle with a blue background and red and white horizontal stripes at the top and bottom. It contains the NCDOT logo, mission statement, goals, and the state seal.

- Working Together for a Common Purpose
- Respecting Each Others Contributions
- Fulfilling our role in “Connecting People and Places in North Carolina”

NCDOT Transformation Update

February 2008



Talent Management Initiatives

Progress To Date

- Implementing a workforce planning tool called NC Works to forecast future staffing needs that will identify gaps and surpluses in staffing, projected workforce needs based on attrition, retirement eligibility, and likelihood of retirement (based on predictive modeling). This tool will take human resource information from BEACON and incorporate other labor statistics (including graduation numbers from colleges) to enable workforce planning at the business unit level.
- Defined a competency based pay plan to get all DOT salaries closer to market within 3 years if funding and DOT work effort is dedicated. Seeking approval from the General Assembly for clerical staff this session. The plan takes into consideration areas that have high turnover, a high number of vacancy reposting, a large number of employees at 20 years or more years of service, and labor market disparity.
- Adopted a industry accepted model to help define and improve the employer value proposition. This model will help DOT to identify key attributes to market internally and externally and define an improvement plan for weak offerings. Targeted discussion will take place each year with our workforce and senior management on factors such as career development opportunities, work life balance, salaries, and employer recognition ultimately to build a strong desire to work at DOT.

Talent Management Initiatives

Progress To Date

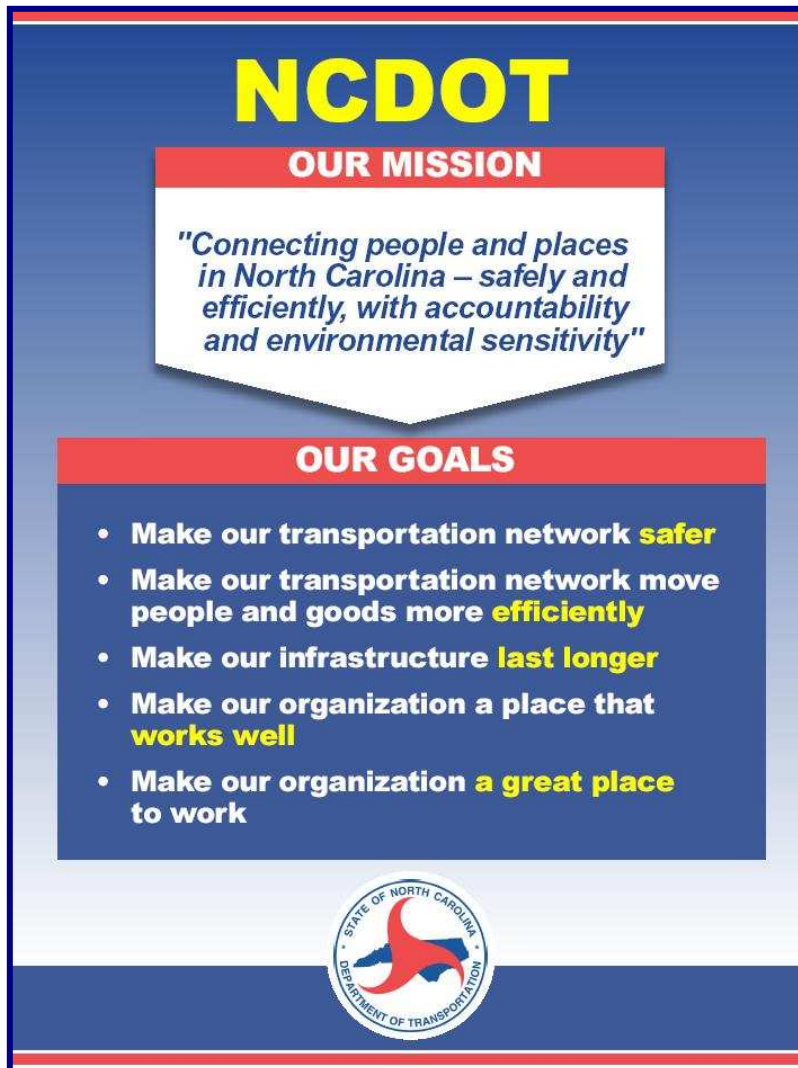
- Defined and communicating best practices for hiring and promoting employees. These strategies include improving information on vacancy postings to ensure DOT can match needs to the right candidate, reducing the paperwork on hiring packages, and defining up to three levels of approvals for selection of candidate.
- Defined a leadership planning model to build bench strength by identifying gaps for those positions and defining optimal ways to fill those gaps. The process will identify high potentials to build the best.
- Developing a new marketing view for the career section of the DOT website with information to attract new employees and make it easier to understand how they can join our team. Working with HR to define content for intranet site that is user friendly for our internal employees.
- Defined new employee orientation process. This will be piloted in Div 4, Ferry Division, Roadway Design, and others. Videos are being shot to offer greeting from Sec. Tippeet and others and to give some early training.
- Recruitment Team has defined new opportunities for recruiting beyond engineers targeting those positions that are “hard to fill”. We will be using an alumni list to help with this effort. Recruitment has been shot.

Talent Management Initiatives

Progress To Date

- Developing a career develop process by which individuals establish their current and future career opportunities and assess their existing skill, knowledge or experience levels and implement an appropriate course of action to attain their desired career objectives driven by the employee. This will include formal and informal assessments with career coaches and managers involved.
- Defining critical elements that define career tracks (i.e. functional, managerial, technical) for Top 40 positions to enable business units to drill down further
- Employee engagement survey is scheduled department wide September, 2008.
- Defining training needs for new employees, Top 40 positions, and overall training needs common throughout the agency. This includes implementing an Enterprise Learning Solution, Training Clearing house, identifying training gaps, developing a process/policy to determine training effectiveness, developing an Employee Training & Development Plan Tool

It all comes back to....



- Working together for a common purpose
- Planning and prioritizing our work
- Delivering our projects & programs effectively
- Measuring our performance
- Developing our employees

Fulfilling our role of
“Connecting People and
Places in North Carolina”